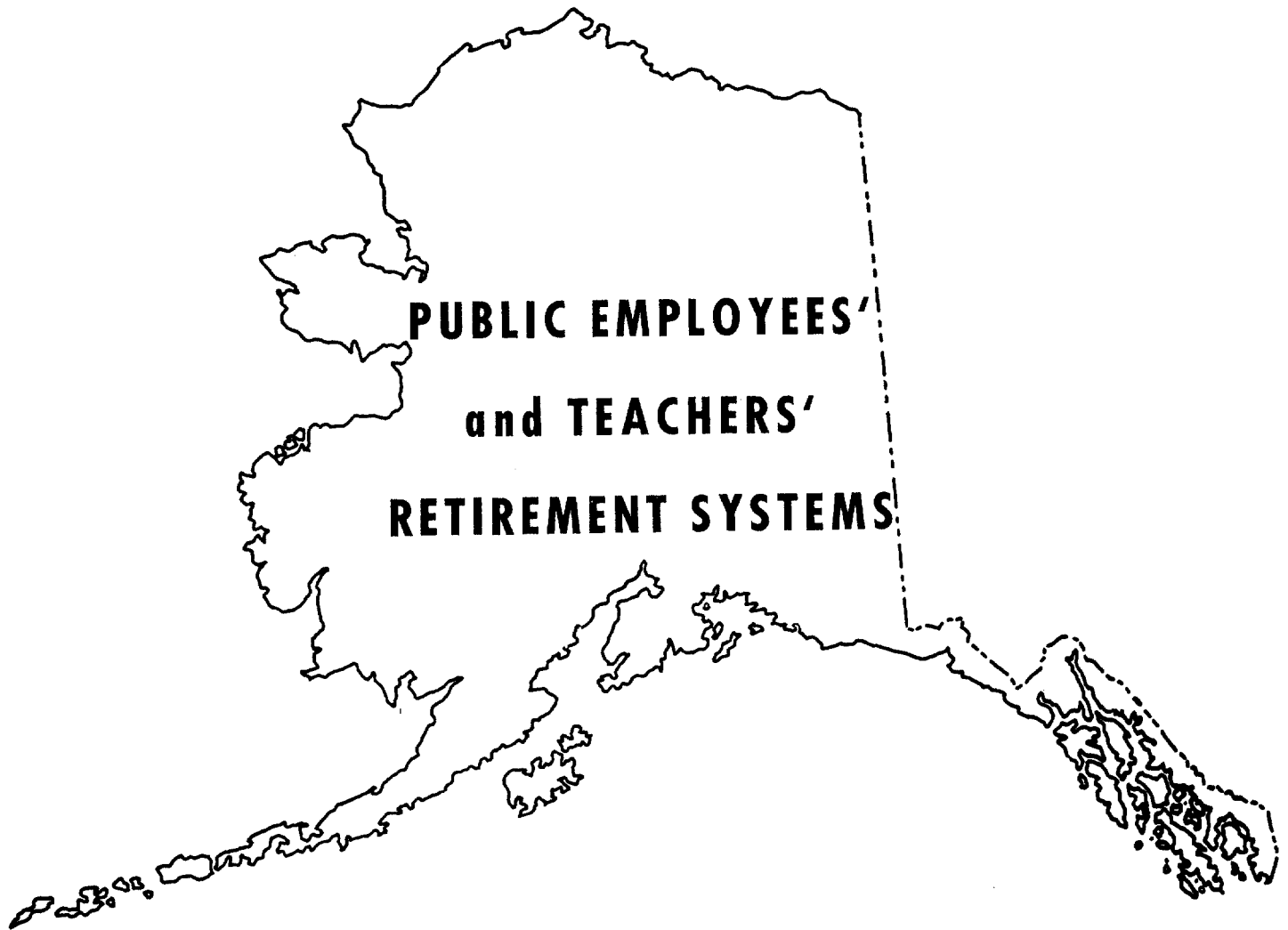


# STATE OF ALASKA



**JAY S. HAMMOND**  
Governor



**Fiscal Year Ended June 30, 1980**

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
TEACHERS' RETIREMENT FUND  
Fiscal Year 1980

TABLE OF CONTENTS

	<u>Page Numbers</u>
<u>INTRODUCTION</u>	1-4
<u>COMBINED BALANCE SHEET</u>	5
<u>COMBINED STATEMENT OF OPERATIONS</u>	6
<u>PUBLIC EMPLOYEES' RETIREMENT FUND</u>	
Board Members	7
Auditor's Report by Arthur Andersen & Co.	8-39
Comparative Statement of Operations	40-44
Footnotes to Comparative Statement of Operations	45
Actuarial Status by William M. Mercer	46-51
Historical Data (1970 through 1980)	52
Graph - Total Assets	53
Graph - Benefits Paid	54
Graph - Employees' and Employers' Contributions	55
FY 1980 Receipts and Expenditures	56
Employer Contribution Rates	57-58
<u>TEACHERS' RETIREMENT FUND</u>	
Board Members	59
Auditor's Report by Arthur Andersen & Co.	60-86
Comparative Statement of Operations	87
Footnotes to Comparative Statement of Operations	88
Actuarial Status by William M. Mercer	89-94
Historical Data (1970 through 1980)	95
Graph - Total Assets	96
Graph - Benefits Paid	97
Graph - Employees' and Employers' Contributions	98
FY 1980 Receipts and Expenditures	99
Employer Contribution Rates	100-101

# STATE OF ALASKA

## RETIREMENT FUND INTRODUCTION

### GENERAL COMMENTS

The information presented in this report shows the results of operations and the financial condition of the two retirement funds for the fiscal year ending June 30, 1980. Effective fiscal year ending June 30, 1980, the financial information in this report is presented on an accrual basis rather than a cash basis of accounting in accordance with the Financial Accounting Standards Board, Standard No. 35. For comparative purposes, the figures for fiscal year ending June 30, 1979, have been restated and are also presented on an accrual basis.

The assets accumulated by these funds are used to provide retirement benefits for the members of the Public Employees' Retirement System and the Teachers' Retirement System.

Assets of the Public Employees' Retirement Fund total \$402,125,897 as of June 30, 1980, an increase of \$85,450,390 over the preceding fiscal year. Assets of the Teachers' Retirement Fund amount to \$320,314,293 as of June 30, 1980, an increase of \$53,270,961 over the preceding fiscal year. The combined assets of both funds total \$722,440,190.

Both the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) are joint contributory systems with defined contributions and benefits. In PERS, peace officers and firemen contribute 5 percent and all other members contribute 4.25 percent of gross pay. Employer contribution rates in FY 1980 averaged 11.01 percent of gross pay in comparison with 11.34 percent in FY 1979 and with 11.82 percent in the coming FY 1981. Under TRS, members contribute 7 percent of base salary. The combined TRS employer and state matching contributions for FY 1980 amounted to 14.90 percent of gross pay as compared to 14.12 percent in FY 1979 and with 15.74 percent in the coming FY 1981.

As of June 30, 1980 there were 83 participating employers and approximately 19,313 active members in the PERS. There were 60 participating employers and approximately 7,217 active members in the TRS. Similar figures for FY 79 are 77 employers and 18,006 active members in PERS and 59 employers and 6,914 active members in TRS.

During FY 1980, interest at the rate 4-1/2 percent per annum was credited to TRS employees' accounts. This interest totaled \$4,198,624 as compared with the \$3,618,379 credited the year before. Members of the PERS earned interest at the rate of 4-1/2 percent per annum compounded semiannually, for a total of \$3,501,866 compared with \$2,882,524 credited during the previous fiscal year.

On June 30, 1980 there were 2,445 persons receiving retirement benefits under the PERS as compared with 2,157 a year earlier and 1,245 persons receiving retirement benefits under the TRS as compared with 1,136 a year ago. This represents an increase of 13.4 percent for PERS recipients and 9.6 percent for TRS recipients.

During the fiscal year ending June 30, 1980, retirement benefits in the amount of \$16,051,047 were paid to PERS recipients, an increase of 21.1 percent above the \$13,249,261 paid out a year earlier. Fiscal year 1980 retirement benefits for TRS recipients were \$15,548,263, an increase of 20.2 percent over the \$12,933,145 paid the year before.

The average annual benefit received by PERS retirees was approximately \$6,565 whereas the average amount received by TRS retirees was approximately \$12,489. Similar averages for fiscal year 1979 were \$6,142 for PERS and \$11,385 for TRS.

## Fiscal Year Investment

In analyzing the 1980 fiscal year, it becomes painfully apparent that the Federal Reserve Bank once again tightened too much in early March and then eased too much in April and May taking the fixed income markets on a gigantic roller coaster ride. A combination of the Fed's October 6, 1979, change to management of the monetary base coupled with the March 14, 1980 credit control/anti-inflation package resulted in some phenomenally high interest rates just as the economy headed into a sharp economic slump. With a haste rarely seen at our central bank, the Fed then began dismantling its own anti-inflation program. In just six weeks, the Federal funds level was reduced from over 18% to 9% (a 50% reduction).

The Treasury Division believes that even if some of the factors which brought interest rates down in 1976 recur this time, many critical ones will not. Most important is the fact that many traditional bond investors having experienced this year's violent interest rate fluctuations are likely to be reluctant to lock themselves into long term commitments at levels well below the current rate of inflation. Our own investment strategy for the past two years has been to concentrate new cash in short high quality investments and there seems to be little reason to change that strategy at this time.

### Rates of Return

The Treasury Division computes several different types of rate of return; each has its own basis of computation and assumptions used.

The time weighted rate of return computes the total return on securities as measured by interest earnings (plus accrued) and accounts for price changes for each month and combines the twelve monthly averages for an annual return. Merrill Lynch Investment Performance Analysis, shown on the next page, shows the median and top quantile performance for similar public funds.

Treasury calculates a similar measure using realized rates of return, that is, actual interest earnings (cash and accrued). A further extension utilizes realized investment income as adjusted for unrealized gains/losses in market value of the portfolio.

Shown also is the relative composition of the two retirement funds as compared to the Merrill Lynch population.

Composition of Portfolios (per. %)

	<u>Retirement Funds</u>		<u>Merrill Lynch</u>
	<u>Public</u>	<u>Teachers</u>	
Fixed Income	91.9%	88.5%	51.9%
Common Stock	8.1	11.5	48.1
Total Fund	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Rates of Return

<u>Retirement Funds</u> <sup>A</sup>	<u>Gross Investment Income</u>	<u>Net Investment Income</u>
Public Employees'	10.6%	9.2%
Teachers'	11.0%	8.8%

Merrill Lynch Population

Public Funds Only, Median Fund	7.9%
Public Funds Only, Top 25% Fund	10.5%

<sup>A</sup> Realized investment income adjusted for unrealized gain/loss in total portfolio.

STATE OF ALASKA  
RETIREMENT FUNDS  
Combined Balance Sheet  
June 30, 1980

<u>Assets</u>	<u>Total</u>	<u>Public Employees' Retirement Fund</u>	<u>Teachers' Retirement Fund</u>
Cash	\$ 1,657,244	\$ 1,038,846	\$ 618,398
Certificate of Deposit & Other Short Term Investments	133,430,789	90,814,478	42,616,311
Investment Securities:			
United States Government	184,466,407	99,873,191	84,593,216
Other	53,909,312	29,540,100	24,369,212
Common Stock	67,392,689	31,673,726	35,718,963
Real Estate Mortgages & SBA Loans in Alaska	263,071,722	140,020,133	123,051,589
Contributions Receivable	8,823,822	2,885,489	5,938,333
Accrued Investment Income	11,419,853	6,942,429	4,477,424
Other Receivables	177,937	107,011	70,926
Total Assets	724,349,775	402,895,403	321,454,372
<u>Liabilities</u>			
Accrued Expenses	1,909,585	769,506	1,140,079
Net Assets	<u>\$722,440,190</u>	<u>\$402,125,897</u>	<u>\$320,314,293</u>
<u>Equities and Reserves</u>			
Equities:			
Employees' equities	\$196,316,062	\$ 85,404,679	\$110,911,383
Employers' equities	299,884,381	227,661,129	72,223,252
Total Equities	496,200,443	313,065,808	183,134,635
Retirement Reserve	226,239,747	89,060,089	137,179,658
Total Equities & Reserves	<u>\$722,440,190</u>	<u>\$402,125,897</u>	<u>\$320,314,293</u>

STATE OF ALASKA  
RETIREMENT FUNDS  
Combined Statement of Operations  
For Fiscal Year Ended June 30, 1980

	<u>Total</u>	<u>Public Employees' Retirement Fund</u>	<u>Teachers' Retirement Fund</u>
Beginning Equities and Reserve July 1, 1979	\$583,718,839	\$316,675,507	\$267,043,332
Additions:			
Employees' Contributions	37,548,857	20,898,263	16,650,594
Employers' Contributions	87,479,489	56,236,318	31,243,171
Interest Earned on Indebtedness	697,272	206,417	490,855
Net Investment Income	69,273,190	37,489,889	31,783,301
Market Value Adjustment	(11,483,564)	(4,989,714)	(6,493,850)
Total Additions	<u>183,515,244</u>	<u>109,841,173</u>	<u>73,674,071</u>
Beginning Balances & Additions	\$767,234,083	\$426,516,680	\$340,717,403
Deductions:			
Administrative Expenses	1,708,309	855,508	852,801
Employees' Contributions and Interest Refunded	8,847,374	5,759,464	3,087,910
Medical Benefit Expenses	2,638,900	1,724,764	914,136
Retirement Benefits Paid	<u>31,599,310</u>	<u>16,051,407</u>	<u>15,548,263</u>
Total Deductions	<u>44,793,893</u>	<u>24,390,783</u>	<u>20,403,110</u>
Ending Equities & Reserve June 30, 1980	<u>\$722,440,190</u>	<u>\$402,125,897</u>	<u>\$320,314,293</u>



STATE OF ALASKA

PUBLIC EMPLOYEES'  
RETIREMENT  
FUND

BOARD MEMBERS

<u>Name</u>	<u>Term Expires</u>
C. R. "Steve" Hafling, Chairman	July 20, 1984
Marian Carlson	December 14, 1984
Ronald M. Henry	June 20, 1982
Morgan W. Reed	June 20, 1986
James P. Wellington	October 26, 1983

ARTHUR ANDERSEN & CO.

SEATTLE, WASHINGTON

To the Director of the Division  
of Retirements and Benefits -  
State of Alaska Public Employees'  
Retirement System:

We have examined the statements of net assets available for benefits of the State of Alaska Public Employees' Retirement System as of June 30, 1980 and 1979, and the related statements of changes in net assets available for benefits for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As explained in Note 2, the State of Alaska Public Employees' Retirement System has adopted the accrual basis of accounting and changed its method of valuation of marketable securities from cost to market value. Real estate mortgages and Small Business Administration loans in Alaska continue to be valued at cost. The changes referred to above were made retroactively effective July 1, 1978 and, accordingly, the financial statements for the year ended June 30, 1979, have been restated.

In our opinion, the financial statements referred to above present fairly the net assets available for benefits of the State of Alaska Public Employees' Retirement System as of June 30, 1980 and 1979, and the changes in net assets available for benefits for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis after giving retroactive effect to the changes (with which we concur) from the cash to the accrual basis and from the cost method to the market value method of recording investments in marketable securities, as explained in Note 2 to the financial statements.

Our examinations have been made primarily for the purpose of forming the opinion stated in the preceding paragraph. The data contained in the accompanying schedule of investments held at June 30, 1980, although not considered necessary for a fair presentation of the net assets available for benefits and changes therein, are presented as supplementary information and have been subjected to the audit procedures applied in the examination of the basic financial statements. In our opinion, these data are fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

Seattle, Washington,  
October 3, 1980.

*Arthur Andersen & Co.*

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
AS OF JUNE 30, 1980 AND 1979  
(Notes 1 and 2)

	<u>1980</u>	<u>1979</u>
ASSETS:		
CASH	\$ 1,038,846	\$ 311,033
CERTIFICATES OF DEPOSIT AND OTHER SHORT-TERM INVESTMENTS, at market value (cost - \$87,322,807 and \$73,946,728)	90,814,478	74,474,956
INVESTMENT SECURITIES:		
United States Government Securities, at market value (cost - \$108,406,216 and \$78,127,155)	99,873,191	74,258,376
Other bonds, notes and debentures, at market value (cost - \$35,018,664 and \$32,966,057)	29,540,100	30,557,580
COMMON STOCK, at market value (cost - \$29,387,223 and \$12,360,987)	31,673,726	14,866,315
REAL ESTATE MORTGAGES AND SMALL BUSINESS ADMINISTRATION LOANS IN ALASKA, at cost	140,020,133	117,629,848
CONTRIBUTIONS RECEIVABLE	2,885,489	1,936,881
ACCRUED INVESTMENT INCOME	6,942,429	3,564,631
OTHER RECEIVABLES	107,011	-
	----- 402,895,403	----- 317,599,620
LIABILITIES:		
ACCRUED EXPENSES	769,506	924,113
NET ASSETS AVAILABLE FOR BENEFITS	----- \$402,125,897 =====	----- \$316,675,507 =====

The accompanying notes are an integral  
part of these statements.

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

STATEMENTS OF CHANGES IN NET ASSETS  
AVAILABLE FOR BENEFITS  
FOR THE YEARS ENDED JUNE 30, 1980 AND 1979  
(Notes 1 and 2)

	<u>1980</u>	<u>1979</u>
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF PERIOD	\$316,675,507 -----	\$245,654,074 -----
UNREALIZED INCREASE (DECREASE) IN MARKET VALUE OF MARKETABLE SECURITIES HELD AT YEAR END, net	(4,989,714) -----	1,121,304 -----
ADDITIONS:		
Employee contributions	20,898,263	17,631,003
Employer contributions	56,236,318	47,613,575
Investment income	37,489,889	25,177,371
Interest on members' indebtedness	206,417	212,126
	----- 114,830,887 -----	----- 90,634,075 -----
DEDUCTIONS:		
Medical benefit expenses	1,724,764	1,698,217
Retirement benefits paid	16,051,047	13,249,261
Refunds to terminated members	5,759,464	4,978,848
Administrative expenses	855,508	807,620
	----- 24,390,783 -----	----- 20,733,946 -----
NET ASSETS AVAILABLE FOR BENEFITS AT END OF PERIOD	\$402,125,897 =====	\$316,675,507 =====

The accompanying notes are an integral  
part of these statements.

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1980 AND 1979

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The State of Alaska Public Employees' Retirement System maintains its accounting records on the cash basis of accounting. Financial statements are presented on the accrual basis of accounting. During the preparation of these statements, adjustments are made to convert from the cash to the accrual basis.

Contributions receivable from employees and matching contributions from employers for service through June 30, 1980, are accrued. No allowance for doubtful accounts has been considered necessary by system management.

Real estate mortgages and SBA loans are stated at cost, adjusted for the amortization of discounts or premiums. The market value of these mortgages and loans is not compiled or presented within the financial statements as it is the intent of management to hold these investments until maturity.

Investments other than real estate mortgages and SBA loans are carried at aggregate market value to reflect the asset values of the System at June 30, 1980 and 1979. This method of valuation is considered proper because the System actively trades marketable securities in its portfolio, and the System is not committed to holding these investments for a long-term period. Investment income consists of interest, dividends and gains or losses generated by the sale of investments.

During the years ended June 30, 1980 and 1979, the System qualified under the provisions of the Internal Revenue Code and was exempt from Federal income taxes.

(2) CONVERSION TO ACCRUAL BASIS ACCOUNTING:

During the year ended June 30, 1980, the System converted from the cash basis to the accrual basis of accounting and changed its method of valuation of marketable securities from the cost to the market value method of accounting for financial reporting purposes. The effects of these conversions are as follows:

	<u>1980</u>	<u>1979</u>
Net assets available for benefits, on a cash basis at June 30	\$401,300,900	\$315,341,808
Adjustments to reflect conversion to accrual basis of accounting:		
Accrue contributions receivable	2,885,489	1,936,881
Accrue investment income	6,942,429	3,564,631
Accrue refunds payable and certain other expenses	(769,506)	(924,113)
Adjustment to reflect change in method of valuation of marketable securities	(8,233,415)	(3,243,700)
	-----	-----
Net assets available for benefits at June 30, as presented in the accom- panying financial statements	\$402,125,897 =====	\$316,675,507 =====

### (3) DESCRIPTION OF THE SYSTEM:

The System, established January 1, 1961, is a contributory pension system covering substantially all full-time employees of the State of Alaska. In addition, employees of participating political subdivisions are included in the System. A separate retirement system covers teachers. Elected officials may participate in the System at their option.

The Commissioner of Administration is responsible for overall administration of the System. The Commissioner of Revenue is the Treasurer of the System and is responsible for providing accountability and management of the System's cash and investments.

Peace officers and firemen contribute 5% of gross pay to the System; other members contribute 4-1/4%. Members earn interest on their contributions at the rate of 4%, credited semi-annually. Employers contribute at actuarially determined rates which are estimated to be sufficient to annually fund current service costs and fund past service costs over 25 years.

Benefits provided to eligible members include full retirement benefits, early retirement benefits, disability pension benefits, comprehensive medical disability pension benefits, comprehensive medical insurance coverage, cost of living allowance and other benefits. Upon termination, members' contributions, plus accrued interest, are refundable.

Benefits and eligibility requirements are specified in the Alaska Public Employees' Retirement System - Statutes, July 1, 1980, as amended. Pamphlets describing the System are available from the State of Alaska, Division of Retirement and Benefits.

(4) ACTUARIAL DETERMINATIONS:

The System's consulting actuary, William M. Mercer, Incorporated, estimated the present value of accrued benefits to be \$403,677,172 at January 1, 1979.

Contributions to the System are based upon recommendations from the actuary utilizing the actuarial cost method described below.

Significant assumptions underlying the January 1, 1979 determinations are as follows:

Actuarial Cost Method	- Attained Age Normal, unfunded accrued benefit liability amortized over 25 years.
Mortality Basis	- 1971 Group Annuity Mortality Table.
Retirement Age	- Average of age 60 and the earliest age for which the member would be eligible for normal retirement benefits.
Interest Rate	- 6% per annum, compounded annually, net of investment expenses.
Salary Scale	- 6% per annum, compounded annually to age 39; 5% thereafter.
Cost of Living Adjustment (Domiciled in Alaska)	- 60% of those receiving benefits will be eligible to receive the cost of living adjustment.
Contribution Refunds	- 89% of those terminating before age 50 with 8 to 12 years of service will leave their contributions and thereby retain their deferred vested benefit. All others who terminate after becoming vested are assumed to keep their contributions in the System.
Asset Valuation	- Adjusted market basis using the three year average relationship between market value and cost.

Turnover and disability assumptions are based upon actual historical occurrence rates for the System.



(5) STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 35:

The Financial Accounting Standards Board has recently issued Statement of Financial Accounting Standards No. 35, "Accounting and Reporting by Defined Benefit Pension Plans," which is effective for plan years beginning after December 15, 1980. It is anticipated that the application of the provisions of this pronouncement will result in significant changes in the presentation of benefit information that is included in future plan financial statements. Specifically, disclosure will be required of the actuarial present value of accumulated benefits attributable to employees' service rendered to date, in lieu of the information now disclosed (see Note 4) regarding accrued benefits. Furthermore, additional disclosures may be required with respect to the priority of participants' claims in the event that the Plan were to be terminated and with respect to significant plan investments.

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield
<b>CERTIFICATES OF DEPOSIT AND OTHER SHORT-TERM INVESTMENTS:</b>						
<u>Certificates of Deposit -</u>						
Security Pacific National Bank	13.625	07/02/80	\$ 1,000,000.00	\$ 995,033.25	\$ 1,062,401.00	13.693
Security Pacific National Bank	13.350	07/07/80	2,000,000.00	1,988,408.97	2,117,459.00	13.428
Manufacturers Hanover Trust Co.	15.060	08/18/80	14,000,000.00	14,000,239.82	14,767,223.00	15.060
Wells Fargo Bank	15.000	08/18/80	10,000,000.00	10,000,000.00	10,545,833.00	15.000
Bank of America	15.000	08/25/80	10,000,000.00	10,000,000.00	10,525,000.00	15.000
Continental Illinois National Bank	16.050	08/27/80	7,000,000.00	7,000,624.46	7,380,742.00	16.049
Total certificates of deposit			44,000,000.00	43,984,306.50	46,398,658.00	
<u>Savings Accounts -</u>						
Bank of California	5.250		55,536.58	55,536.58	55,536.58	5.25
National Bank of Alaska	5.250		57.11	57.11	57.11	5.25
Total savings accounts			55,593.69	55,593.69	55,593.69	
<u>Repurchase Agreements -</u>						
Wells Fargo Bank	8.375	07/01/80	1,800,000.00	1,800,000.00	1,800,000.00	8.375
National Bank of Alaska	6.750	Open	102,000.00	102,000.00	102,000.00	8.460
Morgan Guaranty Trust Co.	8.875	07/01/80	7,000,000.00	7,000,000.00	7,000,000.00	8.875
Morgan Guaranty Trust Co.	8.750	07/01/80	1,060,000.00	1,060,000.00	1,060,000.00	8.750
Total repurchase agreements			9,962,000.00	9,962,000.00	9,962,000.00	

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield
CERTIFICATES OF DEPOSIT AND OTHER SHORT-TERM INVESTMENTS (CONT'D):						
Bankers Acceptances -						
Bank of America	17.250	07/01/80	\$ 2,000,000.00	\$ 1,907,041.67	\$ 1,999,042.00	18.091
Continental Illinois National Bank	17.200	07/22/80	5,000,000.00	4,718,111.11	4,947,444.00	18.226
Continental Illinois National Bank	17.200	07/24/80	5,000,000.00	4,713,333.34	4,942,667.00	18.246
Continental Illinois National Bank	9.420	08/05/80	1,000,000.00	976,711.67	990,580.00	9.645
Bank of America	7.850	11/03/80	2,000,000.00	1,938,944.44	1,945,050.00	8.097
United California Bank	9.000	09/02/80	2,000,000.00	1,954,500.00	1,968,000.00	9.210
Wells Fargo Bank	16.800	09/24/80	10,000,000.00	9,183,333.33	9,598,667.00	18.294
Wells Fargo Bank	8.500	09/05/80	2,000,000.00	1,956,555.56	1,968,361.00	8.689
Citibank	8.130	09/22/80	2,000,000.00	1,952,575.50	1,962,060.00	8.327
Mellon Bank	16.800	10/02/80	1,000,000.00	915,066.67	956,133.00	18.359
Rainier National Bank	8.200	11/17/80	2,000,000.00	1,920,733.33	1,936,222.00	8.538
Total bankers acceptances			34,000,000.00	32,136,906.62	33,214,226.00	
U.S. Government Secured Money Market Fund						
	-	Open	1,184,000.00	1,184,000.00	1,184,000.00	
Total certificates of deposit and other short-term in- vestments						
			\$89,201,593.69	\$87,322,806.81	\$90,814,477.69	

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

		Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield
UNITED STATES GOVERNMENT SECURITIES:							
U.S. Treasury Notes and Bonds -							
U.S. Treas. Notes	8.000	02/15/83	\$	450,000.00	\$ 391,500.00	\$ 436,783.50	9.190
U.S. Treas. Notes	7.000	11/15/83		450,000.00	399,937.50	422,014.50	7.870
U.S. Treas. Notes	7.375	02/15/81		1,000,000.00	1,027,343.75	992,813.00	7.179
U.S. Treas. Notes	7.375	05/15/81		1,000,000.00	1,016,875.00	990,620.00	7.253
U.S. Treas. Notes	7.625	08/15/81		1,000,000.00	1,035,937.50	988,125.00	7.360
U.S. Treas. Notes	7.000	05/15/82		1,000,000.00	1,001,718.75	966,250.00	6.988
U.S. Treas. Notes	7.125	11/15/82		2,500,000.00	2,492,700.00	2,390,625.00	7.146
U.S. Treas. Notes	9.250	08/15/83		2,000,000.00	1,996,724.00	1,946,240.00	7.888
U.S. Treas. Notes	9.750	09/30/83		5,000,000.00	5,006,250.00	5,059,375.00	9.342
U.S. Treas. Notes	8.875	02/15/84		7,000,000.00	7,014,375.00	6,549,340.00	9.738
U.S. Treas. Notes	9.000	02/15/87		13,400,000.00	13,402,827.50	12,897,500.00	8.917
U.S. Treas. Notes	9.250	05/15/89		10,000,000.00	10,018,750.00	9,625,000.00	7.235
U.S. Treas. Bonds	7.875	02/15/00		5,500,000.00	5,634,270.48	4,465,285.00	8.998
U.S. Treas. Bonds	8.375	08/15/00		4,000,000.00	3,963,200.00	3,397,480.00	9.233
U.S. Treas. Bonds	7.625	02/15/07		1,000,000.00	977,500.00	783,750.00	8.453
U.S. Treas. Bonds	7.875	11/15/07		6,000,000.00	5,968,470.00	4,811,220.00	7.800
Total U.S. Treasury Notes and Bonds				81,300,000.00	81,203,373.24	76,572,421.00	7.917
U.S. Agencies -							
Twelve Federal Land Banks	8.800	10/21/85		3,750,000.00	3,784,252.23	3,581,250.00	8.672
International Bank for Re-	9.350	12/15/00		750,000.00	811,875.00	676,875.00	8.637
construction & Development	8.125	03/15/07		1,035,000.00	1,030,795.32	944,438.00	8.158
Federal Home Loan Mortgage Corp.							
Total U.S. Agencies				5,535,000.00	5,626,922.55	5,202,563.00	

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT

JUNE 30, 1980

	Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield
UNITED STATES GOVERNMENT SECURITIES (CONTINUED):						
GNMA Mortgage Backed Securities -						
Pool #16377	7.500	04/15/07	\$ 857,446.44	\$ 822,880.67	\$ 679,526.00	7.815
Pool #17206	7.500	05/15/07	894,226.29	857,898.18	729,912.00	7.818
Pool #6121	8.000	08/15/05	660,373.26	643,244.80	546,875.00	8.213
Pool #10039	8.000	06/15/06	566,049.90	546,945.72	468,763.00	8.279
Pool #19074	8.000	08/15/07	979,249.74	971,905.37	810,946.00	8.060
Pool #18426	8.000	09/15/07	858,188.26	851,751.85	710,691.00	8.060
Pool #19936	8.000	09/15/07	920,751.84	910,105.60	762,502.00	8.094
Pool #20926	8.000	09/15/07	936,697.01	929,671.79	775,707.00	8.060
Pool #18983	8.000	10/15/07	896,089.65	885,728.63	742,079.00	8.094
Pool #19595	8.000	10/15/07	936,367.25	925,539.99	775,434.00	8.094
Pool #20341	8.000	10/15/07	916,761.45	906,161.22	759,198.00	8.094
Pool #4261	8.500	09/15/04	739,224.12	748,926.41	633,885.00	8.389
Pool #4347	8.500	09/15/04	62,228.28	63,822.87	53,361.00	8.288
Pool #5554	8.500	02/15/05	1,379,796.09	1,415,153.38	1,183,175.00	8.288
Pool #7460	8.500	10/15/05	292,467.41	295,757.68	250,791.00	8.405
Pool #7723	8.500	11/15/05	316,170.46	319,727.37	271,116.00	8.405
Pool #6764	8.500	12/15/05	341,948.55	351,138.41	293,221.00	8.278
Pool #7559	8.500	12/15/05	577,491.71	592,289.93	495,199.00	8.288
Pool #5105	8.500	01/15/06	85,034.28	87,213.26	72,917.00	8.288
Pool #7732	8.500	01/15/06	537,144.71	553,259.03	460,602.00	8.252
Pool #6148	8.500	01/15/06	545,579.86	559,560.34	467,835.00	8.288
Pool #7760	8.500	02/15/06	912,482.94	937,576.22	782,454.00	8.273
Pool #7474	8.500	02/15/06	557,593.42	571,881.76	478,136.00	8.288
Pool #8017	8.500	03/15/06	396,354.25	399,822.34	339,874.00	8.426
Pool #8434	8.500	03/15/06	567,280.37	582,536.01	486,443.00	8.278
Pool #8817	8.500	03/15/06	325,283.95	329,756.62	278,931.00	8.385
Pool #10056	8.500	04/15/06	344,536.00	347,550.68	295,440.00	8.426
Pool #10404	8.500	04/15/06	317,707.48	334,784.26	272,434.00	8.066
Pool #10738	8.500	05/15/06	967,859.36	988,728.83	829,939.00	8.321
Pool #11294	8.500	05/15/06	620,051.75	626,639.81	531,694.00	8.410
Pool #16900	8.500	02/15/07	391,347.35	400,152.63	335,580.00	8.313
Pool #17046	8.500	03/15/07	1,776,731.60	1,817,818.52	1,523,547.00	8.308
Total GNMA Mortgage Backed Securities			\$21,476,515.03	21,575,920.18	18,098,207.00	
Total United States Government Securities			\$108,406,215.97	\$99,873,191.00		

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield
OTHER BONDS, NOTES AND DEBENTURES:						
Home Savings & Loan	7.250	06/15/82	\$ 500,000.00	\$ 496,562.50	\$ 472,500.00	7.300
California Federal Savings and Loan	7.375	10/01/82	2,000,000.00	1,990,000.00	1,892,500.00	7.412
Pacific Gas & Electric Co., 1st Ref.						
Mt看. Series 75A	9.500	06/01/85	1,250,000.00	1,243,750.00	1,206,250.00	9.547
Glendale Federal Savings and Loan	9.350	07/01/89	1,000,000.00	1,000,000.00	901,250.00	9.350
Montgomery Ward Credit Corp.	9.250	11/15/90	1,000,000.00	1,072,500.00	865,000.00	8.625
Montgomery Ward Credit Corp.	9.600	02/01/95	1,250,000.00	1,261,875.00	1,081,250.00	9.510
Penney (J.C.) Co., Inc.	8.875	07/15/95	1,000,000.00	988,590.00	848,750.00	8.977
Pfizer, Inc.	8.500	04/15/99	500,000.00	470,125.00	418,125.00	9.040
General Motors Acceptance Corp.	8.750	02/01/00	1,500,000.00	1,593,750.00	1,280,625.00	8.235
Pfizer, Inc.	9.250	08/15/00	500,000.00	493,750.00	447,500.00	9.367
Exxon Corp.	8.250	03/01/01	1,000,000.00	1,027,500.00	830,000.00	8.029
Mobil Corp.	8.500	06/15/01	1,500,000.00	1,515,000.00	1,237,500.00	8.416
C.I.T.I. Corp.	11.050	05/01/04	1,500,000.00	1,500,000.00	1,488,750.00	11.050
General Electric Co.	8.500	05/01/04	2,000,000.00	2,115,000.00	1,740,000.00	8.038
Texas Electric Service Co.	8.875	06/01/05	1,000,000.00	1,012,830.00	857,500.00	8.763
Sears, Roebuck and Co.	8.000	04/01/06	1,000,000.00	987,500.00	780,000.00	8.101
Texas Power and Light Co.	8.250	02/01/07	1,000,000.00	996,250.00	807,500.00	8.281
Bank America Corp.	8.350	05/15/07	1,000,000.00	992,500.00	810,000.00	8.413
Commonwealth Edison Co., 1st						
Mt看. Bonds, Series 36	8.125	06/01/07	1,000,000.00	981,250.00	706,250.00	8.280
Standard Oil Co. of Indiana	7.875	08/01/07	1,000,000.00	978,750.00	785,000.00	8.046
Duke Power Co.	8.125	09/01/07	1,000,000.00	968,750.00	738,750.00	8.387
Province of Ontario	8.375	09/15/07	1,500,000.00	1,500,000.00	1,096,875.00	8.375
Central Power and Light Co.	8.250	10/01/17	1,500,000.00	1,485,000.00	1,143,750.00	8.333
Aetna Life and Casualty Co.	8.125	10/15/07	1,000,000.00	991,250.00	741,250.00	8.197
Illinois Power Co.	8.250	11/01/07	1,000,000.00	990,000.00	756,250.00	8.333
Michigan Bell Telephone Co.	9.600	10/01/08	1,000,000.00	1,122,500.00	910,000.00	8.552
South Central Bell Telephone Co.	8.250	11/01/15	1,000,000.00	1,000,000.00	780,000.00	8.250
Mountain States Tel & Tel Co.	8.000	09/15/17	1,500,000.00	1,491,075.00	1,170,000.00	8.048
Pacific NW Bell	8.750	08/01/18	1,000,000.00	1,000,000.00	812,500.00	8.750
Mesa Petroleum	8.500	05/25/00	410,000.00	462,968.75	479,700.00	7.520
American Medical	8.000	06/01/00	365,000.00	366,462.50	405,150.00	7.970
Rowan Co., Inc.	8.750	06/15/00	450,000.00	450,000.00	526,500.00	8.750
Digital Equip. Co.	8.875	06/15/05	450,000.00	473,175.00	523,125.00	8.440
Total other bonds, notes and debentures						
			\$34,675,000.00	\$35,018,663.75	\$29,540,100.00	

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS:			
Baker International Corp.	10,200	\$ 114,197.65	\$ 318,750.00
Boise Cascade Corp.	15,500	481,481.32	559,937.50
Burroughs Corp.	8,800	646,630.50	565,400.00
Capital Cities Communica- tion	9,000	420,746.00	459,000.00
Columbia Pictures In- dustries	14,500	482,932.70	424,125.00
Computervision Corp.	7,400	420,527.90	403,300.00
Cooper Industries, Inc.	12,800	385,442.80	512,000.00
Diamond Shamrock Corp.	22,900	686,246.50	672,687.50
Disney (Walt) Productions	12,300	555,978.60	590,400.00
Dresser Industries, Inc.	7,800	401,536.25	484,575.00
Eastman Kodak Co.	10,300	505,600.54	576,800.00
Farmers Group, Inc.	15,000	349,125.00	418,125.00
Federal Natl. Mortgage Assoc.	34,800	485,094.50	565,500.00
Fluor Corp.	9,900	533,636.60	691,762.50
General Dynamics Corp.	6,500	315,864.00	429,812.50
General Motors Corp.	12,200	658,815.60	567,300.00
Gulf Oil Corp.	12,800	579,358.00	516,800.00
Halliburton Corp.	6,400	652,290.70	700,800.00
Hewlett-Packard Co.	9,500	544,965.70	592,562.50
Honeywell, Inc.	4,800	353,137.00	376,200.00
Houston Natural Gas Corp.	10,100	382,363.70	430,512.50
IBM Corp.	16,400	941,500.31	963,500.00
Johnson & Johnson	9,400	715,322.20	737,900.00
Litton Industries	9,400	443,071.30	459,425.00
M.A. Communications Inc.	9,800	289,713.90	287,875.00
MGIC Investment Corp.	16,600	349,762.00	435,750.00
McDermott (J. Ray) and Co., Inc.	17,000	425,579.85	482,375.00
McDonalds Corp.	11,300	509,743.00	545,225.00
Mesa Petroleum	17,300	550,620.20	661,725.00
Mesa Royalty Trust	14,300	461,551.50	507,650.00
Milton Bradley Co.	18,300	586,942.90	551,287.50
J.P. Morgan & Co., Inc.	10,400	478,348.00	504,400.00
National Semi-Conductor	19,000	416,898.00	451,250.00
Petrolane, Inc.	9,100	191,589.67	319,637.50

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS (CONTINUED):			
Phillip Morris, Inc.	14,500	\$ 509,095.00	\$ 583,625.00
Pittston Co.	18,500	435,860.00	444,000.00
Raytheon Co.	6,600	469,261.00	490,050.00
Sanders Associates, Inc.	10,600	396,438.00	396,175.00
Schlumberger, Ltd.	4,000	173,819.50	462,000.00
Seaboard Coastline Industries	15,500	559,705.00	585,125.00
Sedco, Inc.	2,500	215,500.00	214,375.00
Smith Kline Corp.	8,600	425,023.40	502,025.00
Standard Oil Co. of California	4,200	163,192.68	321,300.00
Superior Oil Co.	3,450	463,447.50	552,862.50
Texas Instruments, Inc.	6,000	575,140.90	552,000.00
Texas Oil & Gas	4,700	216,764.00	223,250.00
Texas Gulf, Inc.	6,800	275,678.62	256,700.00
Union Pacific Corp.	12,900	548,564.01	551,475.00
AMP Inc.	5,000	183,875.00	189,375.00
Air Products & Chem., Inc.	8,000	314,840.00	310,000.00
Amer. Hosp. Supply Corp.	6,000	202,397.50	207,750.00
Armco, Inc.	7,000	195,825.00	187,250.00
Best Products	4,000	95,480.00	91,000.00
Burroughs Corp.	3,000	192,236.48	192,750.00
Caterpillar Tractor Co.	4,000	205,832.50	211,000.00
Chesebrough-Ponds, Inc.	7,000	158,245.00	194,250.00
Chubb Corp.	5,000	193,125.00	200,000.00
Colonial Penn. Group Inc.	7,000	137,245.00	129,500.00
Crane Co.	6,000	227,403.14	183,000.00
Crown Zellerbach Corp.	5,000	188,000.00	231,250.00
Dana Corp.	3,000	76,545.00	68,625.00
Deere & Co.	5,000	160,700.00	163,750.00
John Fluke Mfg. Co., Inc.	5,035	120,579.59	113,288.00
General Electric Co.	4,000	195,900.00	206,000.00
Georgia-Pacific Corp.	3,000	77,655.00	82,500.00
Halliburton Co.	3,000	280,457.00	328,500.00
Ingersoll Rand	3,000	181,290.00	172,500.00
IBM Corp.	5,500	347,487.50	323,125.00
Johnson & Johnson	2,000	149,440.00	157,000.00
Kraft Inc.	3,000	143,316.00	138,375.00
MCA Inc.	2,000	110,025.00	93,500.00
Marathon Oil Co.	2,000	99,360.00	114,500.00



STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS (CONTINUED):			
Martin-Marietta Corp.	4,000	\$ 170,209.24	\$ 184,000.00
Merck & Co. Inc.	3,000	215,737.50	212,250.00
Missouri Pacific Corp.	3,000	180,510.00	178,500.00
Motorola Inc.	3,000	141,499.50	144,375.00
Pay Less Drug Stores			
Northwest	8,000	154,409.04	154,000.00
Pfizer, Inc.	5,000	195,750.00	206,250.00
Philip Morris, Inc.	3,000	99,480.00	120,750.00
Phillips Petroleum Co.	6,000	307,290.00	273,000.00
Republic of Texas	5,000	112,112.50	138,750.00
Schlumberger Ltd.	2,000	193,325.00	231,000.00
Seafirst Corp.	5,000	120,707.00	127,500.00
Sperry Corp.	6,000	318,142.50	285,000.00
Stauffer Chemical Co.	8,000	155,941.50	141,000.00
Superior Oil	2,000	269,233.30	320,500.00
Texas Instruments Inc.	3,000	291,537.50	276,000.00
Times-Mirror Co.	5,000	188,870.00	162,500.00
Union Pacific Corp.	4,000	140,795.00	171,000.00
Westinghouse Electric Corp.	7,000	150,310.00	159,250.00
		-----	-----
Total common stocks		\$29,387,223.29	\$31,673,725.50
		=====	=====

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS:			
<u>FHA Mortgages Serviced By -</u>			
Alaska Mutual Savings Bank	6.75	\$ 48,681.59	7.07
Alaska Mutual Savings Bank	7.50	419,333.29	7.77
Alaska Mutual Savings Bank	8.50	100,277.20	8.00
Alaska National Bank	7.50	62,416.71	7.13
Alaska National Bank	8.00	158,981.07	6.63
Alaska National Bank	8.50	209,683.65	8.30
Alaska National Bank	8.50	30,668.73	8.12
Alaska Pacific Bank	11.50	1,186,952.18	11.56
Alaska State Bank	5.25	146,773.97	5.20
Alaska State Bank	6.00	228,609.25	6.00
Alaska State Bank	6.75	27,448.65	7.34
Alaska State Bank	7.00	1,012,857.13	7.34
Alaska State Bank	7.50	278,152.05	7.42
Alaska State Bank	8.50	195,176.91	7.40
Alaska State Bank	8.50	144,502.89	7.48
Alaska State Bank	10.50	88,744.16	11.96
Alaska State Bank	11.50	157,317.00	11.66
First National Bank of Anchorage	5.25	317,649.64	5.16
First National Bank of Anchorage	7.00	288,051.40	7.39
First National Bank of Anchorage	7.50	430,630.45	7.92
First National Bank of Anchorage	8.50	174,468.43	8.92
First National Bank of Anchorage	8.50	344,815.18	8.39
First National Bank of Anchorage	8.75	111,313.31	8.95
First National Bank of Anchorage	9.00	98,738.14	8.50

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest</u> <u>Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
<u>FHA Mortgages Serviced By -</u>			
National Bank of Alaska	5.25	\$ 23,708.33	5.60
National Bank of Alaska	6.00	520,451.62	6.24
National Bank of Alaska	7.00	333,757.44	7.30
National Bank of Alaska	7.50	26,718.45	7.32
National Bank of Alaska	8.50	332,450.98	8.25
Rainier Mortgage Co.	5.75	101,290.77	5.63
Rainier Mortgage Co.	6.00	116,340.63	5.63
Rainier Mortgage Co.	7.00	599,117.81	7.30
Rainier Mortgage Co.	7.50	169,413.39	7.92
Washington Mortgage Co.	7.00	836,992.59	7.87
		-----	
Total FHA mortgages		\$9,322,484.99	
		-----	

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS (CONTINUED):			
<u>SBA Loans Serviced By -</u>			
Alaska Mutual Savings Bank	9.50	\$ 81,663.84	9.00
Alaska State Bank	8.00	80,748.02	7.50
Alaska State Bank	10.50	111,199.77	10.00
First National Bank of Ketchikan	9.75	175,233.06	9.38
First National Bank of Ketchikan	10.50	178,012.63	10.18
National Bank of Alaska	8.00	680,460.60	7.50
National Bank of Alaska	8.75	102,804.30	8.25
National Bank of Alaska	9.50	168,476.25	9.00
National Bank of Alaska	9.75	28,038.34	9.25
National Bank of Alaska	10.00	75,864.07	9.50
National Bank of Alaska	10.50	960,781.49	10.00
National Bank of Alaska	11.50	80,662.09	11.00
Peoples Bank and Trust Co.	8.00	144,126.18	7.50
Peoples Bank and Trust Co.	9.25	276,196.57	8.75
Total SBA loans		----- 3,144,267.21 -----	
Bureau of Indian Affairs <u>Serviced By-</u>			
National Bank of Alaska	10.50	978,569.98	10.31
Farmers Home Administration <u>Loan Serviced By-</u>			
National Bank of Alaska	9.75	1,533,108.14	9.56
		-----	

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
<u>Mortgages Serviced By -</u>			
Alaska Bank of Commerce	8.000	\$ 518,627.15	9.99
Alaska Bank of Commerce	9.500	109,563.93	8.94
Alaska Bank of Commerce	12.500	299,400.71	12.44
Alaska Bank of Commerce	12.750	269,856.64	12.44
Alaska Bank of Commerce	10.500	1,381,309.66	10.44
Alaska Federal Savings & Loan	10.000	90,227.41	9.81
Alaska Federal Savings & Loan	11.000	537,672.05	10.69
Alaska Federal Savings & Loan	11.500	85,357.62	11.19
Alaska Federal Savings & Loan	11.875	98,911.77	11.56
Alaska Federal Savings & Loan	12.000	450,929.14	11.69
Alaska Federal Savings & Loan	12.750	110,000.00	12.56
Alaska Federal Savings & Loan	9.500	289,177.66	8.94
Alaska Federal Savings & Loan	10.250	66,596.09	9.94
Alaska Federal Savings & Loan	10.250	83,000.97	10.06
Alaska Federal Savings & Loan	10.500	1,277,858.27	10.04
Alaska Federal Savings & Loan	10.500	141,655.24	10.31
Alaska Federal Savings & Loan	11.000	437,188.88	10.94
Alaska Federal Savings & Loan	11.000	201,262.05	10.81

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
Alaska Mutual Savings Bank	9.375	\$ 297,178.76	9.06
Alaska Mutual Savings Bank	9.625	157,615.20	9.31
Alaska Mutual Savings Bank	9.750	142,070.12	9.44
Alaska Mutual Savings Bank	11.000	547,767.53	10.81
Alaska Mutual Savings Bank	11.000	308,956.54	10.69
Alaska Mutual Savings Bank	9.375	370,013.03	9.06
Alaska Mutual Savings Bank	9.500	455,443.40	9.19
Alaska Mutual Savings Bank	9.750	259,196.30	9.44
Alaska Mutual Savings Bank	10.000	413,863.83	9.69
Alaska Mutual Savings Bank	10.250	286,115.30	10.31
Alaska Mutual Savings Bank	10.250	96,536.19	10.06
Alaska Mutual Savings Bank	10.250	144,364.02	9.94
Alaska Mutual Savings Bank	10.375	73,633.24	10.06
Alaska Mutual Savings Bank	10.500	692,403.97	10.31
Alaska Mutual Savings Bank	10.500	63,446.75	10.19
Alaska Mutual Savings Bank	10.750	448,528.44	10.56
Alaska Mutual Savings Bank	10.750	422,196.87	10.31
Alaska Mutual Savings Bank	11.000	506,170.50	10.56
Alaska Mutual Savings Bank	11.000	67,135.38	10.69
Alaska Mutual Savings Bank	12.500	319,828.06	12.44
Alaska Mutual Savings Bank	10.500	653,784.40	10.31
Alaska Mutual Savings Bank	11.500	555,328.49	11.06
Alaska Mutual Savings Bank	11.750	818,148.93	10.56
Alaska Mutual Savings Bank	10.500	486,369.45	10.31
Alaska Mutual Savings Bank	10.750	589,406.81	10.31
Alaska Mutual Savings Bank	10.625	983,634.31	10.56

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
Alaska National Bank	9.250	\$ 721,917.38	8.94
Alaska National Bank	9.375	1,876,098.63	9.06
Alaska National Bank	9.500	1,608,976.05	9.19
Alaska National Bank	9.625	116,863.17	9.44
Alaska National Bank	9.625	1,210,823.35	9.31
Alaska National Bank	9.750	518,948.50	9.44
Alaska National Bank	9.875	206,545.63	9.56
Alaska National Bank	10.000	232,855.61	9.81
Alaska National Bank	10.000	150,491.66	9.69
Alaska National Bank	10.125	198,124.05	9.94
Alaska National Bank	10.250	102,484.08	10.06
Alaska National Bank	10.250	159,562.14	9.94
Alaska National Bank	10.500	389,300.18	10.31
Alaska National Bank	10.500	373,653.44	10.19
Alaska National Bank	10.750	33,248.44	10.44
Alaska National Bank	11.000	62,282.99	10.69
Alaska National Bank	11.250	119,766.57	11.06
Alaska National Bank	11.750	76,304.69	11.44
Alaska National Bank	12.000	219,830.93	11.81
Alaska National Bank	9.500	37,303.36	9.19
Alaska National Bank	9.750	256,443.60	9.44
Alaska National Bank	10.500	774,292.54	10.44
Alaska National Bank	10.500	1,376,299.01	10.31
Alaska National Bank	10.500	21,637.54	10.19
Alaska National Bank	10.875	600,428.60	10.69
Alaska National Bank	11.000	122,575.50	10.81
Alaska National Bank	11.500	239,375.96	11.31
Alaska National Bank	12.000	93,051.26	11.81
Alaska National Bank	10.500	86,556.31	10.44
Alaska National Bank	10.500	241,302.22	10.31
Alaska National Bank	11.000	412,500.00	10.81
Alaska National Bank	10.500	476,657.44	10.31
Alaska National Bank	12.000	1,555,260.92	11.81
Alaska National Bank	10.500	750,000.00	10.44

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
Alaska Pacific Bank	9.375	\$ 366,759.82	9.06
Alaska Pacific Bank	9.500	1,176,445.34	9.19
Alaska Pacific Bank	9.600	210,002.36	9.29
Alaska Pacific Bank	9.625	414,925.89	9.31
Alaska Pacific Bank	9.750	75,365.59	9.44
Alaska Pacific Bank	9.875	64,669.25	9.56
Alaska Pacific Bank	10.000	676,189.32	9.81
Alaska Pacific Bank	10.000	115,532.99	9.69
Alaska Pacific Bank	10.250	114,675.30	10.06
Alaska Pacific Bank	10.500	219,450.28	10.31
Alaska Pacific Bank	10.500	124,192.92	10.19
Alaska Pacific Bank	10.600	122,929.18	10.52
Alaska Pacific Bank	11.000	41,790.32	10.69
Alaska Pacific Bank	11.375	144,953.41	11.06
Alaska Pacific Bank	11.375	416,933.62	11.19
Alaska Pacific Bank	11.500	548,765.47	11.31
Alaska Pacific Bank	11.500	199,453.40	11.19
Alaska Pacific Bank	11.875	198,967.90	11.56
Alaska Pacific Bank	11.875	412,141.88	11.69
Alaska Pacific Bank	12.500	242,119.53	12.31
Alaska Pacific Bank	12.750	108,643.07	12.56
Alaska Pacific Bank	12.875	84,918.70	12.50
Alaska Pacific Bank	14.000	44,966.62	13.62
Alaska Pacific Bank	9.375	73,331.81	9.06
Alaska Pacific Bank	9.500	73,004.32	9.19
Alaska Pacific Bank	9.625	73,648.68	9.31
Alaska Pacific Bank	9.875	58,483.07	9.56
Alaska Pacific Bank	10.250	108,870.39	10.06
Alaska Pacific Bank	10.500	859,912.61	10.31
Alaska Pacific Bank	10.500	135,801.11	10.19
Alaska Pacific Bank	10.750	482,309.12	10.56
Alaska Pacific Bank	11.000	95,030.17	10.69
Alaska Pacific Bank	11.000	633,601.99	10.94
Alaska Pacific Bank	11.000	200,865.15	10.81
Alaska Pacific Bank	12.000	60,351.60	11.69
Alaska Pacific Bank	12.500	243,236.55	12.31



STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	Interest Rate	Cost	Net Yield
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
Alaska State Bank	9.375	\$ 105,584.85	9.19
Alaska State Bank	9.375	1,400,626.27	9.06
Alaska State Bank	9.500	97,954.38	9.31
Alaska State Bank	9.500	1,400,738.13	9.19
Alaska State Bank	9.625	795,153.13	9.31
Alaska State Bank	9.750	892,348.57	9.44
Alaska State Bank	9.875	893,763.93	9.56
Alaska State Bank	9.875	126,860.65	9.69
Alaska State Bank	10.000	212,679.56	9.81
Alaska State Bank	10.000	329,626.23	9.69
Alaska State Bank	10.125	81,016.23	9.81
Alaska State Bank	10.250	201,370.23	10.06
Alaska State Bank	10.500	364,094.40	10.19
Alaska State Bank	10.500	428,834.50	10.31
Alaska State Bank	10.750	256,226.18	10.44
Alaska State Bank	10.875	44,658.77	10.56
Alaska State Bank	10.875	100,277.83	10.69
Alaska State Bank	11.000	634,910.90	10.81
Alaska State Bank	11.000	238,479.14	10.69
Alaska State Bank	11.000	351,813.94	10.69
Alaska State Bank	11.375	451,492.63	11.06
Alaska State Bank	11.375	110,006.27	11.19
Alaska State Bank	11.500	242,695.65	11.31
Alaska State Bank	11.500	394,541.30	11.19
Alaska State Bank	11.875	938,351.60	11.69
Alaska State Bank	11.875	611,587.42	11.56
Alaska State Bank	12.000	424,101.93	11.81
Alaska State Bank	12.000	412,189.18	11.69
Alaska State Bank	12.500	752,676.98	12.19
Alaska State Bank	12.500	582,289.54	12.31
Alaska State Bank	12.500	349,130.02	12.44
Alaska State Bank	12.750	344,215.44	12.44
Alaska State Bank	12.750	552,780.01	12.56
Alaska State Bank	12.750	952,219.44	12.69
Alaska State Bank	9.625	54,088.92	9.31
Alaska State Bank	10.250	135,769.77	10.06
Alaska State Bank	10.500	85,599.99	10.19
Alaska State Bank	11.000	92,532.73	10.56
Alaska State Bank	12.000	449,569.72	11.87
Alaska State Bank	12.750	63,598.46	12.44

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
AMFAC Mortgage Co.	11.000	\$ 494,876.10	10.810
Arctic First Federal Savings and Loan	10.250	70,003.02	9.940
Arctic First Federal Savings and Loan	10.500	57,456.85	9.940
Arctic First Federal Savings and Loan	10.750	762,429.00	10.560
Arctic First Federal Savings and Loan	10.750	36,921.38	9.930
Arctic First Federal Savings and Loan	11.250	358,174.55	11.060
Arctic First Federal Savings and Loan	12.500	887,956.93	12.310
First Federal Saving and Loan	9.875	110,382.14	9.560
First Federal Saving and Loan	10.000	48,947.07	9.690
First Federal Saving and Loan	11.000	152,663.65	10.690
First Federal Saving and Loan	11.375	90,887.29	11.060
First Federal Saving and Loan	11.500	96,175.34	11.190
First Federal Saving and Loan	11.500	112,316.75	11.310
First Federal Saving and Loan	11.875	132,700.58	11.690
First Federal Saving and Loan	11.875	47,957.22	11.560
First Federal Saving and Loan	12.500	756,118.84	12.190
First Federal Saving and Loan	10.750	392,962.54	10.690
First Federal Saving and Loan	11.000	167,990.28	10.810
First Federal Saving and Loan	11.000	462,739.33	10.940

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
First Federal Saving and Loan	12.000	\$ 93,117.06	11.690
First Federal Saving and Loan	12.500	209,474.82	12.310
First Federal Saving and Loan	12.750	187,145.24	12.560
First Federal Saving and Loan	10.500	971,731.92	10.440
First National Bank of Anchorage	9.375	519,079.75	9.060
First National Bank of Anchorage	9.500	1,735,363.15	9.190
First National Bank of Anchorage	9.625	2,047,608.94	9.310
First National Bank of Anchorage	9.750	127,855.96	9.560
First National Bank of Anchorage	9.750	873,563.83	9.440
First National Bank of Anchorage	9.800	62,334.25	9.560
First National Bank of Anchorage	9.875	1,288,445.89	9.560
First National Bank of Anchorage	10.000	1,599,908.22	9.810
First National Bank of Anchorage	10.000	630,093.27	9.690
First National Bank of Anchorage	10.250	372,250.30	10.060
First National Bank of Anchorage	10.250	285,847.72	9.940
First National Bank of Anchorage	10.500	1,037,823.88	10.310
First National Bank of Anchorage	10.500	1,077,250.95	10.190
First National Bank of Anchorage	10.750	669,917.33	10.560
First National Bank of Anchorage	11.000	512,786.93	10.690
First National Bank of Anchorage	11.000	800,013.68	10.810
First National Bank of Anchorage	11.375	462,217.58	11.190

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS (CONTINUED):			
Conventional/Residential Mortgages Serviced By (Continued)-			
First National Bank of Anchorage	11.375	\$ 1,035,331.01	11.060
First National Bank of Anchorage	11.500	856,822.19	11.310
First National Bank of Anchorage	11.500	407,149.82	11.190
First National Bank of Anchorage	11.875	619,921.62	11.560
First National Bank of Anchorage	11.875	946,816.08	11.690
First National Bank of Anchorage	12.000	200,110.85	11.810
First National Bank of Anchorage	12.500	313,351.29	12.190
First National Bank of Anchorage	12.750	130,854.22	12.560
First National Bank of Anchorage	12.750	174,833.87	12.440
First National Bank of Anchorage	12.750	308,695.32	12.690
First National Bank of Anchorage	9.250	311,666.28	8.940
First National Bank of Anchorage	9.375	85,089.73	9.060
First National Bank of Anchorage	9.500	75,849.65	9.190
First National Bank of Anchorage	9.750	56,269.49	9.440
First National Bank of Anchorage	10.250	45,137.98	10.250
First National Bank of Anchorage	10.250	452,803.45	10.060
First National Bank of Anchorage	10.250	26,022.89	9.940
First National Bank of Anchorage	10.500	431,908.95	10.310
First National Bank of Anchorage	10.500	172,115.65	10.190

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
First National Bank of Anchorage	10.750	\$ 608,641.41	10.560
First National Bank of Anchorage	10.750	71,425.12	10.440
First National Bank of Anchorage	11.000	723,604.96	10.810
First National Bank of Anchorage	11.600	77,717.78	11.650
First National Bank of Anchorage	12.000	267,761.39	11.810
First National Bank of Anchorage	12.500	85,985.48	12.190
First National Bank of Anchorage	12.500	176,282.94	12.310
First National Bank of Anchorage	13.000	436,755.62	12.940
First National Bank of Anchorage	10.750	1,019,415.31	10.650
First National Bank of Fairbanks	9.875	873,980.00	9.560
First National Bank of Fairbanks	10.500	74,189.14	10.190
First National Bank of Fairbanks	11.000	368,950.55	10.690
First National Bank of Fairbanks	11.375	655,279.10	11.060
First National Bank of Fairbanks	11.375	111,693.56	11.190
First National Bank of Fairbanks	11.500	178,986.27	11.190
First National Bank of Fairbanks	11.875	116,986.17	11.560
First National Bank of Fairbanks	11.875	111,866.25	11.690
First National Bank of Fairbanks	12.000	175,000.00	11.810
First National Bank of Fairbanks	12.500	119,843.22	12.310

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
First National Bank of Fairbanks	11.875	\$ 63,412.72	11.560
First National Bank of Fairbanks	12.000	50,294.20	11.690
First National Bank of Fairbanks	12.750	177,252.11	12.560
First National Bank of Fairbanks	12.500	112,321.14	12.560
First National Bank of Ketchikan	9.375	149,013.30	9.060
First National Bank of Ketchikan	9.750	614,754.23	9.440
First National Bank of Ketchikan	10.000	129,689.17	9.690
First National Bank of Ketchikan	10.250	488,765.52	9.940
First National Bank of Ketchikan	10.500	29,557.75	10.190
First National Bank of Ketchikan	11.000	127,666.81	10.810
Home Federal Savings and Loan	9.500	1,052,609.91	9.190
Home Federal Savings and Loan	9.625	833,918.03	9.310
Home Federal Savings and Loan	9.750	116,797.17	9.440
Home Federal Savings and Loan	10.000	955,063.87	9.810
Home Federal Savings and Loan	10.000	380,794.10	9.690
Home Federal Savings and Loan	10.250	955,996.15	9.940
Home Federal Savings and Loan	10.250	834,561.19	10.060
Home Federal Savings and Loan	10.500	379,801.59	10.190
Home Federal Savings and Loan	10.500	580,122.75	10.310

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS (CONTINUED):			
Conventional/Residential Mortgages Serviced By (Continued)-			
Home Federal Savings and Loan	10.750	\$ 136,264.21	10.44
Home Federal Savings and Loan	11.000	626,649.87	10.69
Home Federal Savings and Loan	11.000	758,224.85	10.81
Home Federal Savings and Loan	11.375	203,116.55	11.19
Home Federal Savings and Loan	11.375	579,280.72	11.06
Home Federal Savings and Loan	11.500	353,562.67	11.19
Home Federal Savings and Loan	11.500	279,546.65	11.31
Home Federal Savings and Loan	11.875	285,936.47	11.69
Home Federal Savings and Loan	11.875	154,881.31	11.56
Home Federal Savings and Loan	12.000	240,419.78	11.81
Home Federal Savings and Loan	10.250	63,818.58	9.94
Home Federal Savings and Loan	10.500	335,850.18	10.31
Home Federal Savings and Loan	10.500	125,660.03	10.19
Home Fedgral Savings and Loan	10.750	493,137.66	10.56
Home Federal Savings and Loan	10.750	87,314.36	10.44
Home Federal Savings and Loan	10.875	236,934.02	10.81
Home Federal Savings and Loan	11.000	753,155.41	10.81
Home Federal Savings and Loan	13.500	55,358.41	13.19
Home Federal Savings and Loan	10.250	530,893.53	10.19

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
National Bank of Alaska	12.000	\$ 144,351.24	11.81
National Bank of Alaska	12.875	262,014.33	12.69
National Bank of Alaska	10.500	578,613.34	10.44
National Bank of Alaska	10.500	219,072.71	10.31
Peninsula Savings and Loan	11.500	229,367.32	11.19
Peninsula Savings and Loan	11.875	124,454.94	11.56
Peninsula Savings and Loan	12.750	97,402.90	12.44
Peoples Bank and Trust	9.500	73,367.79	9.19
Peoples Bank and Trust	9.625	261,122.50	9.31
Peoples Bank and Trust	9.750	144,617.91	9.44
Peoples Bank and Trust	9.875	83,372.51	9.56
Peoples Bank and Trust	10.000	133,405.24	9.81
Peoples Bank and Trust	10.500	828,451.98	10.31
Peoples Bank and Trust	10.750	182,757.93	10.56
Peoples Bank and Trust	11.000	109,725.70	10.81
Peoples Mortgage Co.	10.250	640,062.48	10.19
Peoples Mortgage Co.	10.250	205,419.39	10.31
Security National Bank	9.250	233,535.71	8.94
Security National Bank	9.375	159,289.67	9.06
Security National Bank	9.500	543,667.64	9.19
Security National Bank	9.625	576,509.79	9.56
Security National Bank	9.625	322,293.26	9.31
Security National Bank	9.750	70,033.88	9.56
Security National Bank	9.750	317,041.33	9.44
Security National Bank	9.875	105,720.07	9.56
Security National Bank	10.000	674,079.86	9.81
Security National Bank	10.000	694,048.52	9.69
Security National Bank	10.250	214,483.07	10.06
Security National Bank	10.250	332,587.10	9.94
Security National Bank	10.500	618,111.80	10.44
Security National Bank	10.500	1,659,333.06	10.31
Security National Bank	10.500	181,781.81	10.19
Security National Bank	11.000	371,893.00	10.69
Security National Bank	11.000	1,071,696.72	10.81
Security National Bank	11.375	612,092.71	11.19
Security National Bank	11.375	378,161.58	11.06
Security National Bank	11.500	229,782.63	11.19



STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA LOANS			
(CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued)-			
Security National Bank	11.500	\$ 376,050.08	11.31
Security National Bank	11.875	115,996.53	11.69
Security National Bank	11.875	161,756.97	11.56
Security National Bank	12.000	152,803.25	11.81
Security National Bank	12.500	317,376.82	12.31
Security National Bank	12.500	190,121.18	12.19
Security National Bank	12.750	99,000.00	12.44
Security National Bank	12.750	347,500.00	12.56
Security National Bank	9.750	42,085.40	9.56
Security National Bank	10.500	1,539,599.69	10.31
Security National Bank	10.500	38,438.35	10.19
Security National Bank	10.750	805,525.16	10.56
Security National Bank	10.750	73,362.48	10.44
Security National Bank	11.000	83,437.00	10.69
Security National Bank	11.000	453,913.72	10.81
Security National Bank	11.500	126,126.06	11.31
Security National Bank	12.000	184,699.41	11.81
Total conventional/ residential mortgages		125,041,703.03	
Total real estate mortgages and small business administration loans in Alaska		\$140,020,133.35	

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Comparative Statement of Operations

	Fiscal Year Ended	
	June 30, 1980	June 30, 1979
Beginning Equities & Reserves	\$316,675,507	\$245,654,074
Additions:		
Employees' Contributions:		
Alaska Housing Finance Corporation	15,776	12,838
Alaska Municipal League	3,344	2,656
Alaska, State of	12,121,450	10,021,243
Alaska, University of	1,392,339	1,131,827
Alaska, University of, Geophysical Inst.	112,405	106,468
Alaska Unorganized Borough Schools	(4,516)	(5,838)
Aleutian Region School District	9,837	7,779
Anchorage, Municipality of	2,148,049	1,913,807
Anchorage School District	958,962	848,908
Annette Island School District	10,267	10,545
Bering Straits School District	26,673	27,116
Bethel, City of	4,939	(804)
Bristol Bay Borough	9,146	22,761
Bristol Bay Borough School District	9,391	-0-
Bristol Bay Regional Resource Center	2,953	2,973
Chatham School District	5,092	3,453
Chugach Regional School District	1,542	1,478
Copper River School District	20,104	17,250
Cordova, City of	35,130	23,796
Cordova Community Hospital	23,260	29,091
Cordova Public Schools	8,611	-0-
Craig, City of	4,223	-0-
Delta Junction, City of	-0-	(636)
Dillingham, City of	19,603	11,647
Fairbanks, City of	281,346	499,964
Fairbanks Public Utilities	256,162	113,205
Fairbanks North Star Borough	200,876	177,795
Fairbanks North Star Borough School District	313,033	266,846
Fort Yukon, City of	4,907	-0-
Galena City Schools	5,566	5,115
Haines, City of	14,111	11,685
Hoonah City Schools	11,848	9,373
Iditarod Area Schools	18,845	13,614
Juneau Borough Schools	61,900	91,994
Juneau, City and Borough of	390,870	372,220
Kenai, City of	82,382	69,897
Kenai Peninsula Borough	120,695	124,280
Ketchikan, City of	106,602	112,779
Ketchikan Gateway Borough	38,973	32,804
Ketchikan Gateway Borough School District	7,211	6,814
King Cove, City of	(689)	6,152

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Comparative Statement of Operations

	Fiscal Year Ended	
	June 30, 1980	June 30, 1979
Additions - Continued:		
Employees' Contributions - Continued		
King Cove City School District	\$ 2,766	\$ 2,255
Kodiak, City of	95,279	88,968
Kodiak Island Borough	19,497	13,260
Kodiak Island Borough School District	59,718	56,327
Kotzebue, City of	13,819	14,278
Kuspuk School District	21,911	18,163
Lake and Peninsula School District	20,375	14,451
Lower Kuskokwim School District	81,143	65,843
Lower Yukon School District	58,215	36,514
Matanuska-Susitna Borough	117,375	84,624
Matanuska-Susitna Borough School District	114,227	95,794
Nome, City of	42,632	12,672
Nome City Schools	33,580	33,602
Nome Joint Utilities	11,216	15,113
North Pacific Fisheries Management Council	10,546	8,260
North Slope Borough	437,123	230,713
North Slope Borough School District	100,953	99,536
Northwest Arctic School District	100,048	78,781
Northwest Regional Resource Center	(138)	1,394
Petersburg, City of	16,683	76,750
Petersburg General Hospital	45,442	-0-
Pribilof Region School District	5,255	4,142
Railbelt School District	16,600	13,394
Saint Paul, City of	6,198	3,047
Sand Point, City of	5,655	5,088
Sand Point City School District	7,148	-0-
Selawik School District	-0-	(285)
Seward, City of	44,621	16,228
Sitka, City of	113,617	87,896
Sitka Community Hospital	31,074	32,217
Sitka Borough School District	36,811	26,809
Skagway, City of	10,205	11,318
Soldotna, City of	19,672	19,171
South Central Regional Resource Center	22,551	4,789
Southeast Island School District	8,716	6,755
Southeast Regional Resource Center	6,574	1,760
Southwest Region Schools	33,071	35,821
Unalaska, City of	35,472	20,258
Valdez, City of	99,015	75,383
Valdez City Schools	33,633	28,026
Western Regional Resource Center	3,919	(499)
Wrangell, City of	38,627	35,133
Wrangell City Schools	5,595	4,829
Yukon Flats School District	31,105	20,430
Yukon-Koyukuk School District	27,501	29,100
Total Employees' Contributions	\$20,898,263	\$17,631,003

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Comparative Statement of Operations

	Fiscal Year Ended	
	June 30, 1980	June 30, 1979
Additions - Continued:		
Employers' Contributions:		
Alaska Housing Finance Corporation	\$ 40,433	\$ 37,637
Alaska Municipal League	12,685	11,347
Alaska, State of	32,465,855	27,546,142
Alaska, University of	3,364,102	2,786,426
Alaska, University of, Geophysical Inst.	266,694	249,235
Alaska Unorganized Borough Schools	(208)	-0-
Aleutian Region School District	27,478	18,845
Anchorage, Municipality of	6,302,851	5,697,027
Anchorage School District	2,844,978	2,457,346
Annette Island School District	27,699	29,918
Bering Straits School District	63,690	64,746
Bethel, City of	10,126	11,940
Bristol Bay Borough	39,413	35,382
Bristol Bay Borough School District	27,029	-0-
Bristol Bay Regional Resource Center	6,790	6,982
Chatham School District	14,428	12,497
Chugach Regional School District	4,478	4,355
Copper River School District	53,619	39,890
Cordova, City of	86,974	67,525
Cordova Community Hospital	68,162	69,792
Cordova Public Schools	30,107	-0-
Craig, City of	10,592	-0-
Dillingham, City of	36,244	28,587
Fairbanks, City of	1,017,873	1,176,748
Fairbanks Public Utilities	421,446	368,039
Fairbanks North Star Borough	514,345	445,592
Fairbanks North Star Borough School District	735,452	675,063
Fort Yukon, City of	11,942	-0-
Galena City Schools	11,721	10,466
Haines, City of	31,029	25,040
Hoonah City Schools	34,791	31,893
Iditarod Area Schools	38,647	31,608
Juneau Borough Schools	224,350	229,579
Juneau City and Borough of	914,051	872,777
Kenai, City of	144,251	124,095
Kenai Peninsula Borough	313,575	458,361
Ketchikan, City of	1,041,111	268,454
Ketchikan Gateway Borough	81,807	100,939
Ketchikan Gateway Borough School District	16,681	15,782
King Cove, City of	12,283	10,648
King Cove City School District	7,036	5,709

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Comparative Statement of Operations

	Fiscal Year Ended	
	June 30, 1980	June 30, 1979
Additions - Continued:		
Employers' Contributions - Continued:		
Kodiak, City of	\$ 262,403	\$ 220,712
Kodiak Island Borough	45,207	31,477
Kodiak Island Borough School District	181,945	150,330
Kotzebue, City of	22,179	18,047
Kuspuk School District	46,713	36,304
Lake and Peninsula School District	47,384	30,012
Lower Kuskokwim School District	181,138	184,697
Lower Yukon School District	135,512	86,385
Matanuska-Susitna Borough	234,683	188,836
Matanuska-Susitna Borough School District	292,840	231,579
Nome, City of	52,331	49,912
Nome City Schools	88,563	87,037
Nome Joint Utilities	31,696	43,916
North Pacific Fisheries Management Council	23,216	18,571
North Slope Borough	990,046	590,132
North Slope Borough School District	232,281	229,384
Northwest Arctic School District	243,940	195,216
Northwest Regional Resource Center	-0-	3,709
Petersburg, City of	203,268	170,575
Petersburg General Hospital	23,371	-0-
Pribilof Region School District	22,470	10,652
Railbelt School District	40,690	35,675
Saint Paul, City of	7,314	13,300
Sand Point, City of	12,416	10,452
Sand Point City School District	7,760	-0-
Selawik School District	-0-	(102,574)
Seward, City of	128,349	92,082
Sitka, City of	282,415	244,422
Sitka Community Hospital	83,920	78,293
Sitka Borough School District	92,710	(36,448)
Skagway, City of	22,547	23,219
Soldotna, City of	35,041	29,543
South Central Regional Resource Center	42,840	11,087
Southeast Island School District	18,395	15,874
Southeast Regional Resource Center	8,592	3,756
Southwest Region Schools	62,946	75,126
Unalaska, City of	77,987	45,156
Valdez, City of	239,694	181,210
Valdez City Schools	76,884	67,304
Western Regional Resource Center	7,545	690
Wrangell, City of	99,815	88,384

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Comparative Statement of Operations

	Fiscal Year Ended	
	June 30, 1980	June 30, 1979
Additions - Continued:		
Employers' Contributions - Continued:		
Wrangell City Schools	\$ 14,419	\$ 21,156
Yukon Flats School District	67,104	63,407
Yukon-Koyukuk School District	<u>69,139</u>	<u>48,546</u>
Total Employers' Contributions	56,236,318	47,613,575
Interest Earned on Reinstatements	206,417	212,126
Net Investment Income 1)	37,489,889	25,177,371
Market Value Adjustment	<u>(4,989,714)</u>	<u>1,121,304</u>
Total Additions	<u>109,841,173</u>	<u>91,755,379</u>
Total Equities, Reserves and Additions	<u>\$426,516,680</u>	<u>\$337,409,453</u>
Deductions:		
Administrative Expenses:		
Personal Services	\$ 344,592	\$ 280,344
Travel	16,662	13,522
Contractual Services	173,994	247,234
Commodities	2,408	2,428
Equipment	33,352	1,792
Capital Outlay	17,500	
Inter-Agency Services	<u>267,000</u>	<u>262,300</u>
Total Administrative Expenses	855,508	807,620
Employees' Contributions and Interest Refunded	5,759,464	4,978,848
Medical Benefit Expenses	1,724,764	1,698,217
Retirement Benefits Paid	<u>16,051,047</u>	<u>13,249,261</u>
Total Deductions	<u>24,390,783</u>	<u>20,733,946</u>
Ending Equities and Reserves	<u>\$402,125,897</u>	<u>\$316,675,507</u>

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
FOOTNOTES TO COMPARATIVE STATEMENT OF OPERATIONS  
June 30, 1980

- 1) Schedule of Investment Income for Fiscal Year ended  
June 30, 1980, accrual basis.

Interest Income	\$34,469,905
Gain/(Loss) on Sale of Securities	<u>3,019,984</u>
Total Investment Income	<u>\$37,489,889</u>

**Benefit Services / Consulting Actuaries**

September 24, 1980

Mr. Paul B. Arnoldt, Director  
State of Alaska  
Department of Administration  
Division of Retirement & Benefits  
Pouch CR  
Juneau, Alaska 99811

Actuarial Status -  
Alaska Public Employees' Retirement System

Dear Paul:

This is a brief statement to outline the actuarial status of the Alaska Public Employees' Retirement System. The actuarial valuation which we perform each year has the following objectives:

- (1) To examine the status of funding of the System.
- (2) To develop contribution rates for each participating employer in the System which are adequate to support the benefits of the System.

The actuarial valuation of the Alaska Public Employees' Retirement System as of January 1, 1980 is based upon the actuarial assumptions and methods which were adopted by the Retirement Board in March, 1978. The more significant results are as follows:

Contribution Rates

Contribution rates as a percent of earnings have increased almost entirely due to the 38% increase in post-retirement medical premiums. The following table summarizes these rates:

	--- Valuation Date ---	
	<u>1-1-79</u>	<u>1-1-80</u>
(a) Consolidated Rate	10.50%	11.46%
(b) Average Past Service Rate	2.53%	2.32%
(c) Average Total Contribution Rate	13.03%	13.78%



Mr. Paul B. Arnoldt  
Page Two  
September 24, 1980

Funding Progress

One of the best measures of a pension plan's funding progress is the growth of assets relative to the present value of accrued benefits. Although liabilities increased more than anticipated during the year, the accrued benefit funding ratio also increased. This was due primarily to the 11.3% investment yield on PERS assets during the year.

	--- Valuation Date ---	
	<u>1-1-79</u>	<u>1-1-80</u>
(a) Valuation Assets	\$275,268,562	\$338,895,336
(b) Present Value of Accrued Benefits	403,677,172	475,285,952
(c) Accrued Benefit Funding Ratio	68.2%	71.3%

A more complete analysis appears in the actuarial valuation report. In summary, it is our opinion that the funding progress of the System is satisfactory and the contribution levels are sufficient to support the benefits of the System.

Sincerely,



Robert F. Richardson, MAAA  
Vice President

RFR:jn

## 1.4 ACTUARIAL METHOD AND ASSUMPTIONS

### Valuation of Liabilities

A. Actuarial Method - Attained Age Normal, also known as Aggregate Method with Supplemental Liability. The unfunded accrued benefit liability is amortized over 25 years.

B. Actuarial Assumptions -

- |                         |   |
|-------------------------|---|
| 1. Interest             | 6% per year, compounded annually, net of investment expenses.   |
| 2. Salary Scale         | 6% per year until age 39 and 5% per year for ages 40 and up.  |
| 3. Mortality            | 1971 Group Annuity Mortality Table.   |
| 4. Turnover             | Based upon the 1976 actual total turnover experience. (See Table 1).  |
| 5. Disability           | Incidence rates in accordance with Table 2. Post-disability mortality in accordance with rates published by the Pension Benefit Guaranty Corporation to reflect mortality of those receiving disability benefits under Social Security. 94% of the disabilities are assumed to be occupational for police and fire; 28% for others. |
| 6. Retirement Age       | The average of age 60 and the earliest age for which unreduced retirement benefits will be available.   |
| 7. Spouse's Age         | Wives are assumed to be four years younger than husbands.   |
| 8. Contribution Refunds | 89% of those terminating before age 50 with 5 to 10 years of service will leave their contributions and thereby retain their deferred vested benefit. All others who terminate after becoming vested are assumed to keep their contributions in the System.   |
| 9. C.O.L.A.             | 60% of those receiving retirement benefits will be eligible for C.O.L.A.  |

- |                    |   |
|--------------------|---|
| 10. Personal Leave | 4.7 days of unused personal leave will be available for each year of service. |
| 11. Expenses       | No loading for expenses.  |

Valuation of Assets

Based upon the three-year average ratio between market and book values of the System's assets.

Valuation of Medical Benefits

Medical benefits for retirees are provided by the payment of premiums from the trust fund. A pre-65 cost and lower post-65 cost (due to Medicare) were assumed such that the total rate for all retirees equals the present premium rate. These medical premiums are then funded with the same actuarial method as other retirement benefits.

TABLE 1  
EMPLOYEE TURNOVER ASSUMPTIONS

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	.3274	.3753
21	.3175	.3710
22	.3076	.3668
23	.2588	.3420
24	.2100	.3180
25	.1750	.2950
26	.1400	.2733
27	.1050	.2516
28	.1043	.2437
29	.1037	.2358
30	.1031	.2280
31	.1025	.2202
32	.1019	.2124
33	.1016	.2043
34	.1013	.1962
35	.1010	.1881
36	.1007	.1800
37	.1004	.1719
38	.0957	.1679
39	.0910	.1639
40	.0863	.1600
41	.0816	.1561
42	.0766	.1522
43	.0753	.1453
44	.0740	.1384
45	.0727	.1315
46	.0714	.1246
47	.0700	.1179
48	.0767	.1150
49	.0834	.1120
50	.0901	.1090
51	.0968	.1060
52	.1037	.1031
53	.1070	.1050
54	.1085	.1069
55	.1100	.1088
56	.1115	.1107
57	.1130	.1126
58	.1135	.1145
59	.1140	.1164
60 and up	.1145	.1183

TABLE 2  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OF ALASKA

Disability Rates

All Employees

Annual Rates Per 1,000 Employees

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
20	.70	45	1.62
21	.71	46	1.76
22	.72	47	1.91
23	.73	48	2.07
24	.74	49	2.23
25	.75	50	2.40
26	.76	51	2.60
27	.78	52	2.86
28	.80	53	3.18
29	.82	54	3.55
30	.84	55	4.00
31	.86	56	4.59
32	.88	57	5.34
33	.90	58	6.10
34	.93	59	7.20
35	.96	60	8.43
36	.99	61	9.75
37	1.03	62	11.30
38	1.07	63	13.05
39	1.11	64	14.90
40	1.15		
41	1.20		
42	1.27		
43	1.36		
44	1.48		

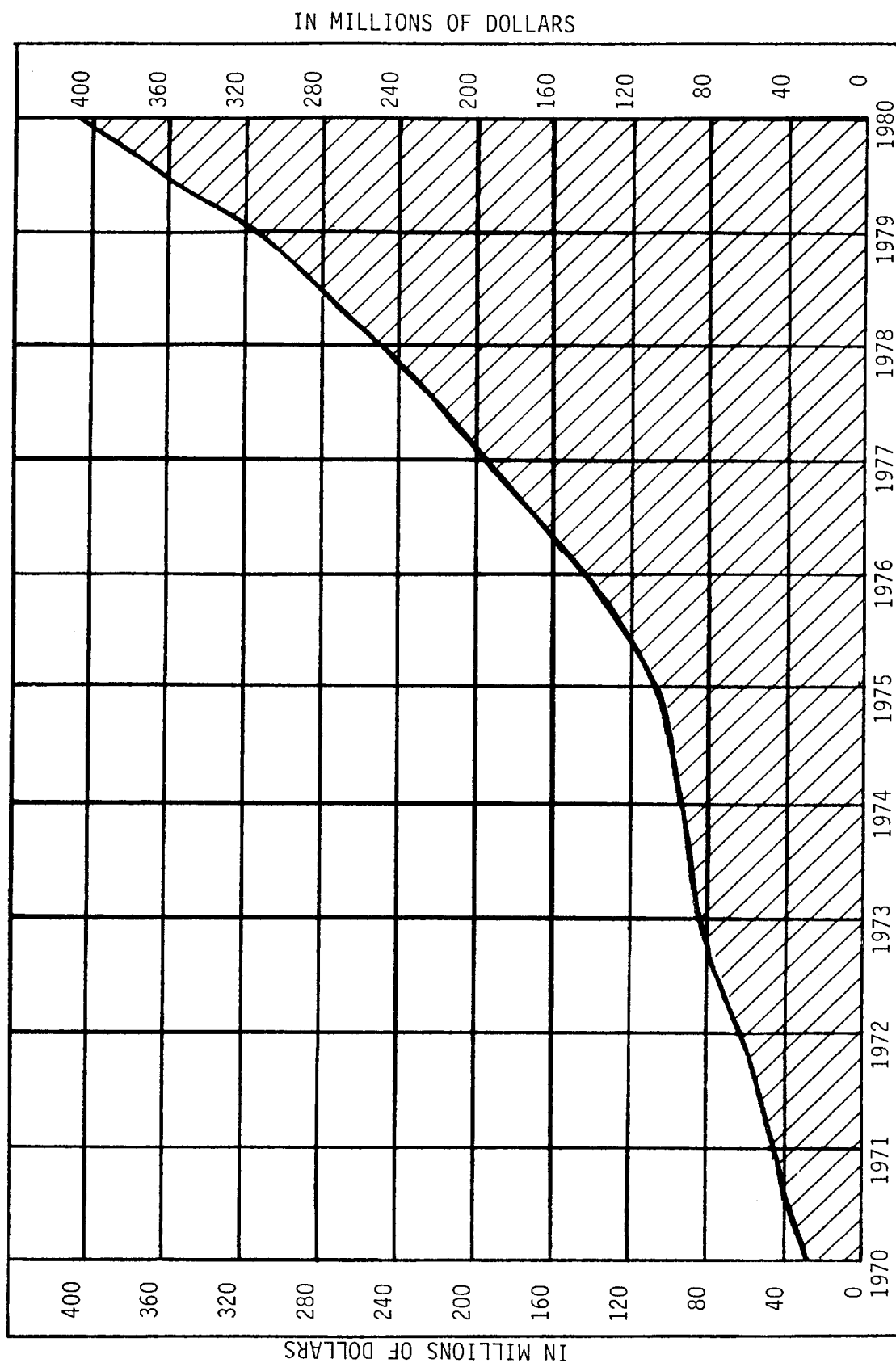
STATE OF ALASKA

PUBLIC EMPLOYEES' RETIREMENT FUND  
Historical Data  
Fiscal Years 1970 through 1980  
(cents omitted)

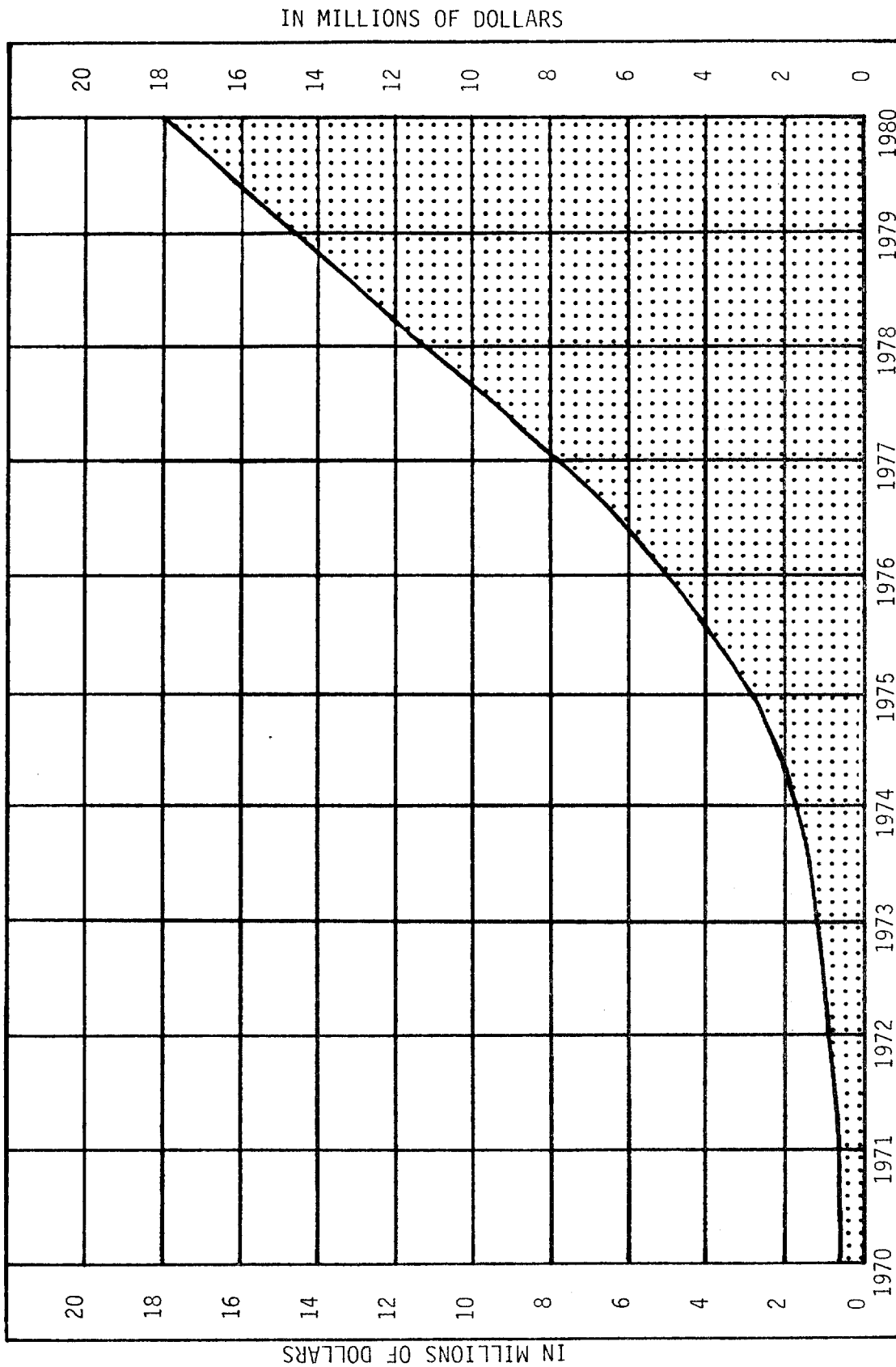
Fiscal Year	Assets Fiscal Year End	Employers' Contributions During Fiscal Year	Employees' Contributions During Fiscal Year	Benefits Paid Including Medical Expenses & Death Benefits	Employees' Contributions and Interest Refunded During Fiscal Year	Net Investment Income During Fiscal Year
1970	\$ 29,293,897	\$ 2,763,176	\$ 2,728,332	\$ 200,236	\$ 561,178	\$ 1,687,211
1971	41,444,559	7,408,647	3,568,932	315,390	882,218	1,756,740
1972	57,285,001	9,957,962	4,677,640	565,551	1,144,434	3,252,779
1973	80,116,285	15,269,037	6,636,276	1,120,276	1,643,831	3,345,726
1974	89,606,549	9,439,931	6,805,053	1,714,642	2,334,265	2,270,806
1975	107,556,336	13,435,344	8,449,474	2,810,321	3,163,052	2,365,398
1976	141,988,644	22,712,558	12,348,074	4,842,542	3,758,719	8,367,857
1977	190,954,572	34,881,182	13,438,538	7,607,162	3,816,748	12,602,465
1978	246,662,043	38,735,575	16,176,433	11,005,738	4,345,592	16,612,594
* 1979	316,675,507	47,613,575	17,631,003	14,947,478	4,978,848	25,177,371
1980	402,125,897	56,236,318	20,898,263	17,775,811	5,759,464	37,489,889

\* Figures presented on an accrual basis effective FY 1979.

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Total Assets  
Fiscal Years 1970 through 1980

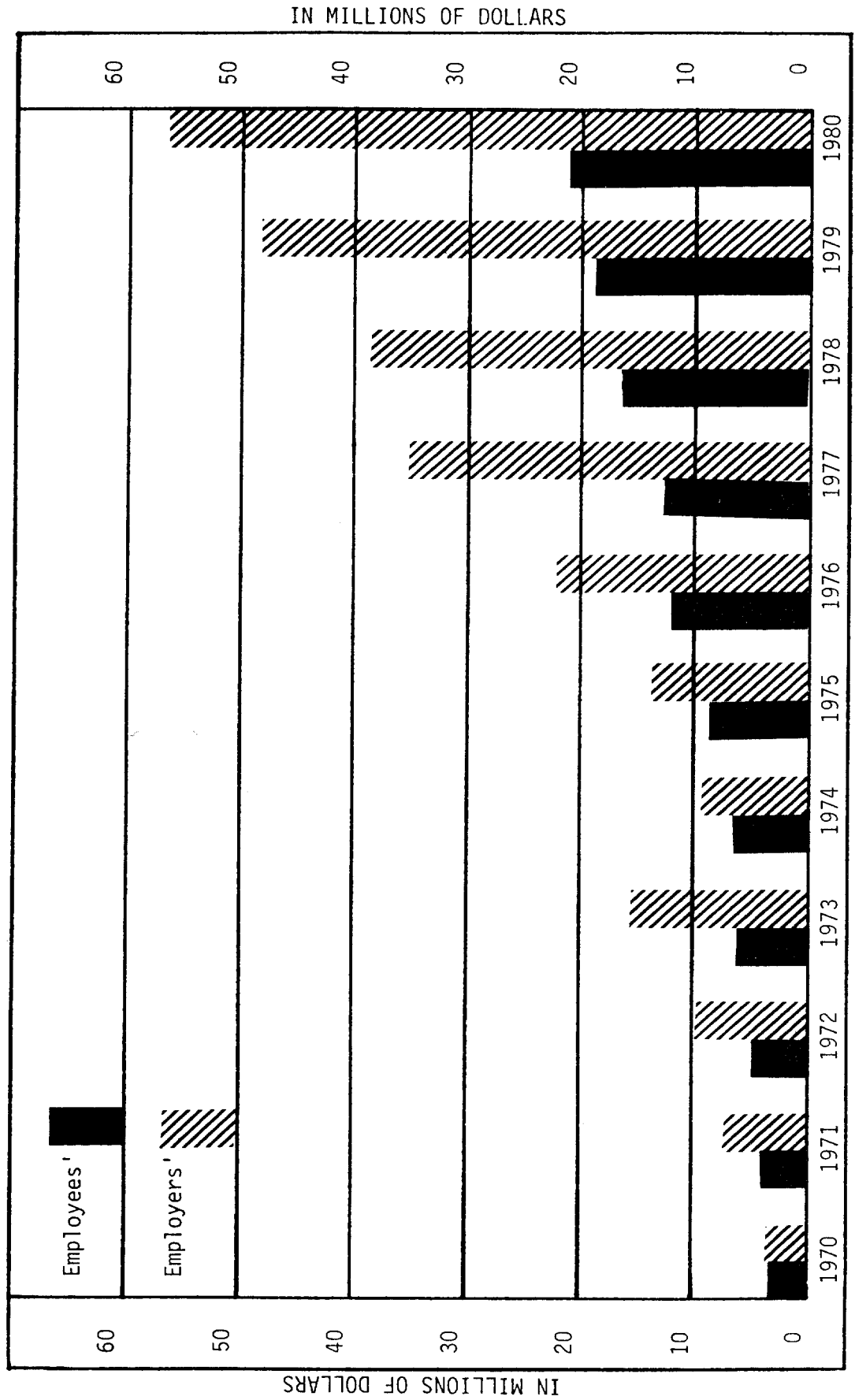


STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Benefits Paid  
Fiscal Years 1970 through 1980



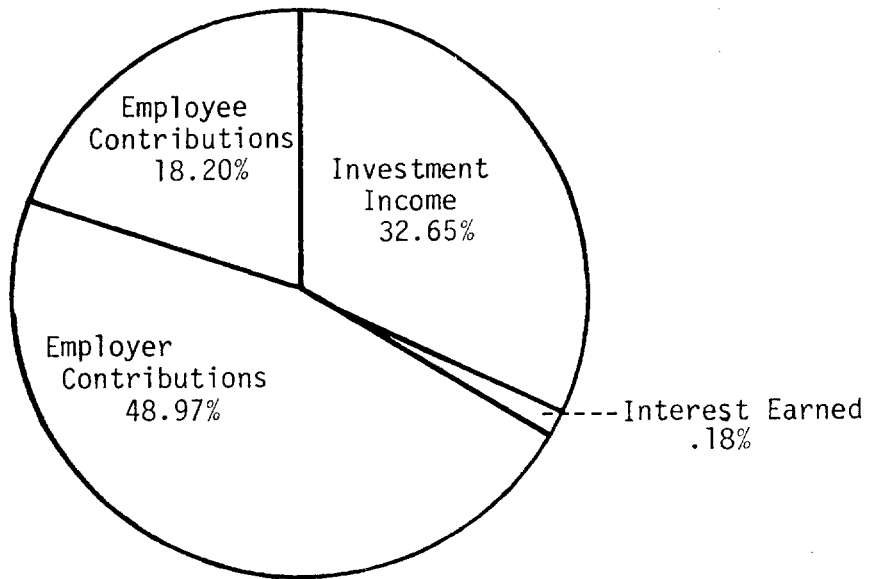


STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Employees' and Employers' Contributions  
Fiscal Years 1970 through 1980

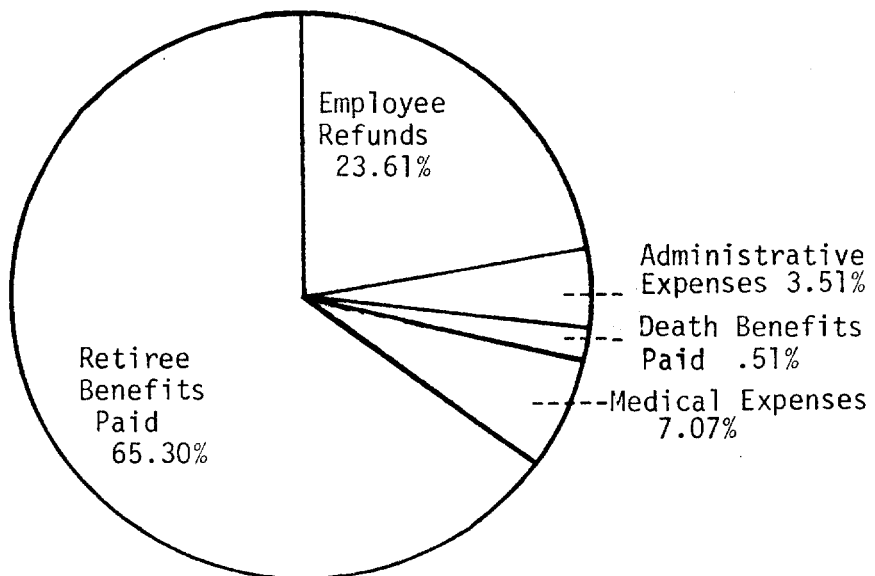


STATE OF ALASKA  
Public Employees' Retirement System  
Year Ended June 30, 1980

INCOME & RECEIPTS  
\$114,830,887



DISBURSEMENTS  
\$24,390,783



STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Employer Contribution Rates  
Fiscal Year 1980

<u>Employer</u>	<u>Percentage</u>
Alaska Housing Finance Corporation	10.90
Alaska Municipal League	16.12
Alaska, State of	12.24
Alaska, University of	10.58
Alaska, University of, Geophysical Institute	10.58
Aleutian Region School District	10.15
Anchorage, Municipality of	12.13
Anchorage School District	12.84
Annette Island School District	11.41
Bering Straits School District	10.12
Bethel, City of	8.77
Bristol Bay Borough	18.09
Bristol Bay Borough School District	12.66
Bristol Bay Regional Resource Center	9.76
Chatham School District	12.79
Chugach Regional School District	12.09
Copper River School District	11.04
Cordova, City of	11.20
Cordova Community Hospital	12.62
Cordova Public Schools	14.86
Craig, City of	10.82
Dillingham, City of	10.85
Fairbanks, City of	12.94
Fairbanks Public Utilities	12.94
Fairbanks North Star Borough	10.44
Fairbanks North Star Borough School District	10.44
Fort Yukon, City of	9.84
Galena City Schools	8.95
Haines, City of	9.86
Hoonah City Schools	12.48
Iditarod Area Schools	9.73
Juneau Borough Schools	11.72
Juneau, City and Borough of	10.52
Kenai, City of	8.59
Kenai Peninsula Borough	12.42
Ketchikan, City of	15.32
Ketchikan Gateway Borough	9.70
Ketchikan Gateway Borough School District	9.83
King Cove, City of	9.55
King Cove City School District	10.81
Kodiak, City of	12.23
Kodiak Island Borough	11.15
Kodiak Island Borough School District	12.17
Kotzebue, City of	7.23
Kuspuk School District	9.10
Lake and Peninsula School District	10.35

STATE OF ALASKA  
PUBLIC EMPLOYEES' RETIREMENT FUND  
Employer Contribution Rates  
Fiscal Year 1980

continued -

<u>Employer</u>	<u>Percentage</u>
Lower Kuskokwim School District	10.08
Lower Yukon School District	10.07
Matanuska-Susitna Borough	11.87
Matanuska-Susitna Borough School District	11.87
Nome, City of	11.67
Nome City Schools	13.12
Nome Joint Utilities	11.67
North Pacific Fisheries Management Council	9.46
North Slope Borough	10.61
North Slope Borough School District	9.54
Northwest Arctic School District	10.58
Northwest Regional Resource Center	9.05
Petersburg, City of	13.75
Petersburg General Hospital	13.75
Pribilof Region School District	10.43
Railbelt School District	10.85
Saint Paul, City of	9.82
Sand Point, City of	10.38
Sand Point City School District	9.82
Seward, City of	11.57
Sitka, City of	12.22
Sitka Community Hospital	10.97
Sitka Borough School District	12.22
Skagway, City of	9.42
Soldotna, City of	8.57
South Central Regional Resource Center	8.90
Southeast Island School District	8.97
Southeast Regional Resource Center	8.28
Southwest Region Schools	9.64
Unalaska, City of	9.83
Valdez, City of	11.35
Valdez City Schools	9.71
Western Regional Resource Center	9.77
Wrangell, City of	11.46
Wrangell City Schools	10.94
Yukon Flats School District	10.43
Yukon-Koyukuk School District	10.44

STATE OF ALASKA

TEACHERS '  
RETIREMENT  
FUND

BOARD MEMBERS

<u>Name</u>	<u>Term Expires</u>
Merritt C. Olson, Chairman	January 31, 1983
Jane Gustafson	June 30, 1981
Steve Kinney	January 31, 1981
Harry Purdy	June 30, 1981
Dorothy Wells	January 31, 1982

ARTHUR ANDERSEN & Co.  
SEATTLE, WASHINGTON

To the Director of the Division  
of Retirements and Benefits -  
State of Alaska Teachers'  
Retirement System:

We have examined the statements of net assets available for benefits of the State of Alaska Teachers' Retirement System as of June 30, 1980 and 1979, and the related statements of changes in net assets available for benefits for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As explained in Note 2, the State of Alaska Teachers' Retirement System has adopted the accrual basis of accounting and changed its method of valuation of marketable securities from cost to market value. Real estate mortgages and Small Business Administration loans in Alaska continue to be valued at cost. The changes referred to above were made retroactively effective July 1, 1978 and, accordingly, the financial statements for the year ended June 30, 1979, have been restated.

In our opinion, the financial statements referred to above present fairly the net assets available for benefits of the State of Alaska Teachers' Retirement System as of June 30, 1980 and 1979, and the changes in net assets available for benefits for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis after giving retroactive effect to the changes (with which we concur) from the cash to the accrual basis and from the cost method to the market value method of recording investments in marketable securities, as explained in Note 2 to the financial statements.

Our examinations have been made primarily for the purpose of forming the opinion stated in the preceding paragraph. The data contained in the accompanying schedule of investments held at June 30, 1980, although not considered necessary for a fair presentation of the net assets available for benefits and changes therein, are presented as supplementary information and have been subjected to the audit procedures applied in the examination of the basic financial statements. In our opinion, these data are fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

Seattle, Washington,  
October 3, 1980.

A handwritten signature in cursive script, reading "Arthur Andersen & Co.", positioned to the right of the typed text.

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

AS OF JUNE 30, 1980 AND 1979

(Notes 1 and 2)

	<u>1980</u>	<u>1979</u>
ASSETS:		
CASH	\$ 618,398	\$ 141,472
CERTIFICATES OF DEPOSIT AND OTHER SHORT-TERM INVESTMENTS, at market value (cost - \$41,149,993 and \$57,822,023)	42,616,311	58,110,264
INVESTMENT SECURITIES-		
United States Government Securities, at market value (cost - \$92,415,126 and \$61,899,973)	84,593,216	58,207,191
Other bonds, notes and debentures, at market value (cost - \$28,767,299 and \$25,648,905)	24,369,212	23,833,765
COMMON STOCK, at market value (cost - \$32,997,711 and \$13,340,752)	35,718,963	17,021,946
REAL ESTATE MORTGAGES AND SMALL BUSINESS ADMINISTRATION LOANS IN ALASKA, at cost	123,051,589	103,726,174
CONTRIBUTIONS RECEIVABLE	5,938,333	4,130,883
ACCRUED INVESTMENT INCOME	4,477,424	2,912,403
OTHER RECEIVABLES	70,926	-
	-----	-----
	321,454,372	268,084,098
	-----	-----
LIABILITIES:		
ACCRUED EXPENSES	1,140,079	1,040,766
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS	\$320,314,293	\$267,043,332
	=====	=====

The accompanying notes are an integral  
part of these statements.



STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

STATEMENTS OF CHANGES IN NET ASSETS  
AVAILABLE FOR BENEFITS  
FOR THE YEARS ENDED JUNE 30, 1980 AND 1979  
(Notes 1 and 2)

	<u>1980</u>	<u>1979</u>
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF PERIOD	\$267,043,332 -----	\$218,950,189 -----
UNREALIZED INCREASE (DECREASE) IN MARKET VALUE OF MARKETABLE SECURITIES HELD AT YEAR END, net	(6,493,850) -----	517,662 -----
ADDITIONS:		
Employee contributions	16,650,594	15,142,057
Employer contributions and state match	31,243,171	26,558,644
Investment income	31,783,301	22,311,725
Interest on members' indebtedness	490,855	520,409
	80,167,921 -----	64,532,835 -----
DEDUCTIONS:		
Medical benefit expenses	914,136	904,922
Retirement benefits paid	15,548,263	12,933,145
Refunds to terminated members	3,087,910	2,419,936
Administrative expenses	852,801	699,351
	20,403,110 -----	16,957,354 -----
NET ASSETS AVAILABLE FOR BENEFITS AT END OF PERIOD	\$320,314,293 =====	\$267,043,332 =====

The accompanying notes are an integral  
part of these statements.

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1980 AND 1979

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The System maintains its accounting records on the cash basis of accounting. Financial statements are presented on the accrual basis of accounting. During the preparation of these statements adjustments are made to convert from the cash to the accrual basis.

Contributions receivable from employees and matching contributions from employers for service through June 30, 1980, are accrued. No allowance for doubtful accounts has been considered necessary by system management.

Real estate mortgages and SBA loans are stated at cost, adjusted for the amortization of discounts or premiums. The market value of these mortgages and loans is not compiled or presented within the financial statements as it is the intent of management to hold these investments until maturity.

Investments other than real estate mortgages and SBA loans are carried at aggregate market value to reflect the asset values of the System at June 30, 1980 and 1979. This method of valuation is considered proper because the System actively trades marketable securities in its portfolio and the System is not committed to holding these investments for a long-term period. Investment income consists of interest, dividends and gains or losses generated by the sale of investments.

During the years ended June 30, 1980 and 1979, the System qualified under the provisions of the Internal Revenue Code and was exempt from Federal income taxes.

(2) CONVERSION TO ACCRUAL BASIS ACCOUNTING:

During the year ended June 30, 1980, the System converted from the cash basis to the accrual basis of accounting and changed its method of valuation of marketable securities from the cost to market value method of accounting for financial reporting purposes. The effects of these conversions are as follows:

	1980	1979
Net assets available for benefits, on a cash basis at June 30	\$319,070,952	\$262,579,300
Adjustments to reflect conversion to accrual basis of accounting:		
Accrue contributions receivable	5,938,333	4,130,882
Accrue investment income	4,477,424	2,912,403
Accrue refunds payable and certain other expenses	(1,140,079)	(1,040,766)
Adjustments to reflect change in method of valuation of marketable securities	(8,032,337)	(1,538,487)
Net assets available for benefits at June 30, as presented in the accompanying financial statements	----- \$320,314,293 =====	----- \$267,043,332 =====

### (3) DESCRIPTION OF THE SYSTEM:

A retirement system for Alaska Teachers was initially established in 1929. Territorial and State legislatures have repealed and established new retirement systems several times with the last major revision to the System as a whole in 1955. Since that time, the legislature has amended the 1955 Act to extend coverage of the Act and to liberalize benefits to participants.

The Commissioner of Administration is responsible for overall administration of the System. The Commissioner of Revenue is the Treasurer of the System and is responsible for providing accountability and management of the System's cash and investments.

Eligible participants contribute 7% of their gross pay to the System. The participants' employers and the State of Alaska jointly contribute an amount which, in addition to participants' contributions, will annually fund estimated current service costs and fund past service costs over 30 years.

Benefits provided to eligible members include full retirement benefits, early retirement benefits, disability pension benefits, comprehensive medical insurance coverage, cost of living allowance and other benefits. Upon termination, members' contributions, plus accrued interest, are refundable.

Benefits and eligibility requirements are specified in the Alaska Teachers' Retirement System - Statutes, July 1, 1980, as amended. Pamphlets describing the Alaska Teachers' Retirement System are available from the State of Alaska, Division of Retirement and Benefits.

(4) ACTUARIAL DETERMINATIONS:

The System's consulting actuary, William M. Mercer, Incorporated, estimated the present value of accrued benefits to be \$370,196,776 at June 30, 1979.

Contributions to the System are based upon recommendations from the actuary utilizing the actuarial cost method described below.

Significant assumptions underlying the June 30, 1979 determinations are as follows:

Actuarial Cost Method	- Attained age normal, unfunded accrued benefit liability amortized over 30 years.
Mortality Basis	- 1971 Group Annuity Mortality Table.
Retirement Age	- Average of age 60 and the earliest age for which the member would be eligible for normal retirement benefits.
Interest Rate	- 6% per annum, compounded annually, net of investment expenses.
Salary Scale	- 6% per annum, compounded annually to age 39; 5% thereafter.
Cost of Living Adjustment (Domiciled in Alaska)	- 49% of those receiving benefits will be eligible to receive the cost of living adjustment.
Contribution Refunds	- 85% of those terminating before age 50 with 8 to 12 years of service will leave their contributions and thereby retain their deferred vested benefit. All others who terminate after becoming vested are assumed to keep their contributions in the System.

Asset Valuation

- Adjusted market basis using the three year average relationship between market value and cost.

Turnover and disability assumptions are based upon actual historical occurrence rates for the System.

(5) STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 35:

The Financial Accounting Standards Board has recently issued Statement of Financial Accounting Standards No. 35, "Accounting and Reporting by Defined Benefit Pension Plans," which is effective for plan years beginning after December 15, 1980. It is anticipated that the application of the provisions of this pronouncement will result in significant changes in the presentation of benefit information that is included in future plan financial statements. Specifically, disclosure will be required of the actuarial present value of accumulated benefits attributable to employees' service rendered to date, in lieu of the information now disclosed (see Note 4) regarding accrued benefits. Furthermore, additional disclosures may be required with respect to the priority of participants' claims in the event that the Plan were to be terminated and with respect to significant plan investments.

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield
<b>CERTIFICATES OF DEPOSIT AND OTHER SHORT-TERM INVESTMENTS:</b>						
<u>Certificates of Deposit -</u>						
Security Pacific National Bank	13.350	07/07/80	\$ 3,000,000.00	\$ 2,982,613.45	\$ 3,176,188.00	13.428
Manufacturers Hanover Trust Co.	15.060	08/18/80	1,000,000.00	1,000,107.13	1,054,882.00	15.060
Manufacturers Hanover Trust Co.	15.125	08/18/80	1,000,000.00	5,000,431.40	5,275,191.00	15.124
Wells Fargo Bank	15.000	08/18/80	5,000,000.00	5,000,000.00	5,272,917.00	15.000
Continental Illinois National Bank	16.050	08/27/80	5,000,000.00	5,000,466.70	5,271,355.00	16.048
Arctic First Federal Savings and Loan	7.500	07/15/80	200,000.00	200,000.00	200,000.00	7.500
Total certificates of deposit			15,200,000.00	19,183,638.68	20,251,056.00	
<u>Savings Accounts -</u>						
Bank of California	5.250		43,013.56	43,013.56	43,014.00	5.250
Alaska National Bank	5.250		14,667.19	14,667.19	14,667.19	5.250
Total savings accounts			57,680.75	57,680.75	57,681.19	
<u>Repurchase Agreements -</u>						
Wells Fargo Bank	8.500	07/01/80	300,000.00	300,000.00	300,000.00	8.500
Pacific National Bank	8.250	Open	550,000.00	550,000.00	550,000.00	8.250
Morgan Guaranty Trust Co.	8.875	07/01/80	4,000,000.00	4,000,000.00	4,000,000.00	8.875
Morgan Guaranty Trust Co.	8.875	07/01/80	3,000,000.00	3,000,000.00	3,000,000.00	8.875
Morgan Guaranty Trust Co.	8.750	07/01/80	1,060,000.00	1,060,000.00	1,060,000.00	8.875
Total repurchase agreements			8,910,000.00	8,910,000.00	8,910,000.00	

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield
17.250	07/01/80	\$ 1,000,000.00	\$ 953,520.83	\$ 999,521.00	18.091
9.300	08/15/80	1,000,000.00	976,491.67	988,117.00	9.524
9.000	09/02/80	1,000,000.00	977,250.00	984,000.00	9.210
16.800	09/03/80	3,000,000.00	2,752,200.00	2,909,000.00	18.313
8.000	09/05/80	2,000,000.00	1,952,666.67	1,970,222.00	8.152
8.500	09/05/80	1,000,000.00	978,277.78	984,181.00	8.689
16.800	10/02/80	4,000,000.00	3,660,266.67	3,824,533.00	18.359
		13,000,000.00	12,260,673.62	12,659,574.00	
8.875	Open	738,000.00	738,000.00	738,000.00	8.875
		\$37,905,680.75	\$41,149,993.05	\$42,616,311.19	

CERTIFICATES OF DEPOSIT AND OTHER  
SHORT-TERM INVESTMENTS (CONT'D):

Bankers Acceptances -  
Bank of America  
United California Bank  
United California Bank  
United California Bank  
Continental Illinois National  
Bank  
Wells Fargo Bank  
Mellon Bank  
Total bankers acceptances

Commercial Paper -  
General Electric Credit Corp.

Total certificates of deposit  
and other short-term in-  
vestments

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield
UNITED STATES GOVERNMENT SECURITIES:						
U.S. Treasury Notes and Bonds -						
U.S. Treas Notes	7.000	11/15/83	\$ 600,000.00	\$ 533,250.00	\$ 562,686.00	7.876
U.S. Treas Notes	8.000	02/15/83	550,000.00	478,500.00	533,846.50	9.195
U.S. Treas Notes	7.625	08/15/81	500,000.00	518,281.25	494,063.00	7.356
U.S. Treas Notes	7.125	11/15/82	2,500,000.00	2,492,700.00	2,390,625.00	7.146
U.S. Treas Notes	8.000	02/15/83	100,000.00	100,000.00	97,063.00	8.000
U.S. Treas Notes	9.250	08/15/83	10,000,000.00	9,901,953.13	10,006,250.00	9.342
U.S. Treas Notes	9.750	09/30/83	5,000,000.00	5,006,250.00	5,059,375.00	9.738
U.S. Treas Notes	7.250	02/15/84	2,000,000.00	2,001,000.00	1,871,240.00	7.246
U.S. Treas Notes	8.875	06/30/84	10,000,000.00	9,953,040.63	9,843,750.00	8.917
U.S. Treas Notes	7.250	08/15/84	3,000,000.00	2,966,250.00	2,799,360.00	7.332
U.S. Treas Notes	7.875	05/15/86	250,000.00	250,000.00	230,781.00	7.875
U.S. Treas Notes	9.000	02/15/87	13,400,000.00	13,402,827.50	12,897,500.00	8.998
U.S. Treas Notes	9.250	05/15/89	5,000,000.00	5,009,375.00	4,812,500.00	9.233
U.S. Treas Bonds	7.875	02/15/00	6,500,000.00	6,659,336.87	5,277,155.00	7.687
U.S. Treas Bonds	8.375	08/15/00	4,000,000.00	3,963,200.00	3,397,480.00	8.453
U.S. Treas Bonds	7.625	02/15/07	1,000,000.00	977,500.00	783,750.00	7.801
U.S. Treas Bonds	7.875	11/15/07	4,000,000.00	3,977,220.00	3,207,480.00	7.920
Total U.S. Treasury Notes and Bonds			68,400,000.00	68,190,684.38	64,264,904.50	
U.S. Agencies -						
Federal National Mortgage Assn.	7.550	12/10/84	1,000,000.00	1,000,000.00	912,500.00	7.550
International Bank for Re- construction & Development	7.650	05/01/87	450,000.00	447,750.00	385,313.00	7.688
International Bank for Re- construction & Development	9.350	12/15/00	500,000.00	541,250.00	451,250.00	8.637
Federal Home Loan Mortgage Corp.	8.125	03/15/07	1,035,000.00	1,030,795.32	944,438.00	8.158
Total U.S. Agencies			2,985,000.00	3,019,795.32	2,693,501.00	



STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

UNITED STATES GOVERNMENT SECURITIES (CONTINUED):						
GNMA Mortgage Backed Securities -						
Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield	
7.000	07/15/12	\$ 500,768.58	\$ 500,768.58	\$ 390,289.00	7.000	
8.000	04/15/05	220,593.43	216,874.24	182,680.00	8.137	
8.000	06/15/05	772,111.62	759,087.56	639,409.00	8.137	
8.000	08/15/05	817,702.49	815,019.42	677,164.00	8.026	
8.000	09/15/06	880,615.13	876,762.41	729,264.00	8.035	
8.000	09/15/07	942,293.41	931,397.67	780,341.00	8.094	
8.000	09/15/07	440,357.07	435,265.42	364,573.00	8.094	
8.000	10/15/07	1,804,409.71	1,783,545.79	1,494,286.00	8.094	
8.100	10/15/11	487,916.95	522,072.87	347,563.00	7.570	
8.500	09/15/04	659,129.21	678,285.17	565,203.00	8.260	
8.500	02/15/05	305,106.03	320,552.03	261,628.00	8.090	
8.500	10/15/05	848,382.61	857,926.92	727,488.00	8.405	
8.500	11/15/05	648,407.02	654,080.61	556,009.00	8.426	
8.500	11/15/05	286,079.31	293,588.85	245,313.00	8.283	
8.500	12/15/05	596,155.32	611,431.79	511,203.00	8.288	
8.500	01/15/06	190,519.23	196,234.78	163,370.00	8.252	
8.500	01/15/06	158,356.14	163,106.83	135,790.00	8.249	
8.500	01/15/06	570,949.73	585,937.16	489,589.00	8.283	
8.500	01/15/06	719,706.29	735,899.65	617,148.00	8.313	
8.500	01/15/06	289,126.83	303,763.89	247,926.00	8.090	
8.500	02/15/06	590,951.34	607,202.50	506,741.00	8.273	
8.500	02/15/06	337,439.42	340,392.02	289,354.00	8.426	
8.500	02/15/06	519,800.13	533,120.00	445,729.00	8.288	
8.500	03/15/06	705,390.68	723,466.29	604,873.00	8.288	
8.500	03/15/06	325,283.95	329,756.60	278,931.00	8.385	
8.500	03/15/06	673,972.63	682,818.52	577,932.00	8.390	
8.500	04/15/06	382,906.71	386,256.85	328,343.00	8.426	
8.500	05/15/06	881,712.33	908,163.71	756,068.00	8.252	
8.500	08/15/06	1,248,721.72	1,280,720.21	1,070,779.00	8.288	
8.500	08/15/06	143,881.38	151,614.98	123,378.00	8.066	
8.500	11/15/06	778,215.59	801,562.04	667,320.00	8.252	
8.500	02/15/07	391,347.35	400,152.65	335,580.00	8.313	
8.500	03/15/07	1,776,731.60	1,817,818.52	1,523,547.00	8.308	
-----						
Total GNMA Mortgage Backed Securities		\$20,895,040.94	21,204,646.53	17,634,811.00	-----	
-----						
Total United States Government Securities		\$92,415,126.23	\$84,593,216.50	-----		
=====						

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	Interest Rate	Maturity Date	Par Value	Cost	Market Value	Net Yield
OTHER BONDS, NOTES AND DEBENTURES:						
California Federal Savings and Loan	7.375	10/01/82	\$ 1,500,000.00	\$ 1,492,500.00	\$ 1,419,375.00	7.412
Pacific Gas & Electric Co., 1st Ref.						
Mtg. Series 75A	9.500	06/01/85	1,250,000.00	1,243,750.00	1,206,250.00	9.547
Glendale Federal Savings and Loan	9.350	07/01/89	1,000,000.00	1,000,000.00	901,250.00	9.350
Montgomery Ward Credit Corp.	9.600	02/01/95	1,250,000.00	1,261,875.00	1,081,250.00	9.510
Diamond Shamrock Corp.	9.000	04/01/99	1,000,000.00	1,020,000.00	842,500.00	8.823
Pfizer, Inc.	8.500	04/15/99	500,000.00	470,125.00	418,125.00	9.040
General Motors Acceptance Corp.	8.750	02/01/00	1,500,000.00	1,593,750.00	1,280,625.00	8.235
Pfizer, Inc.	9.250	08/15/00	1,000,000.00	995,000.00	895,000.00	9.296
Exxon Corp.	8.250	03/01/01	1,000,000.00	1,027,500.00	830,000.00	8.029
Mobil Corp.	8.500	06/15/01	1,000,000.00	1,010,000.00	825,000.00	8.416
Citicorp.	11.050	05/01/04	1,500,000.00	1,500,000.00	1,488,750.00	11.050
Texas Electric Service Co.	8.875	06/01/05	1,000,000.00	1,012,830.00	857,500.00	8.763
Sears Roebuck and Co.	8.000	04/01/06	1,000,000.00	988,750.00	780,000.00	8.091
Standard Oil Co. of Indiana	7.875	08/01/07	1,000,000.00	978,750.00	785,000.00	8.046
American Hospital Supply Corp.	7.875	08/15/07	1,500,000.00	1,495,500.00	1,072,500.00	7.899
Duke Power Co.	8.125	09/01/07	1,000,000.00	968,750.00	738,750.00	8.387
Province of Ontario	8.375	09/15/07	1,500,000.00	1,500,000.00	1,096,875.00	8.375
Central Power and Light Co.	8.250	10/01/07	1,500,000.00	1,485,000.00	1,143,750.00	8.333
Aetna Life and Casualty Co.	8.125	10/15/07	1,000,000.00	991,250.00	741,250.00	8.197
Michigan Bell Telephone Co.	9.600	10/01/08	1,000,000.00	1,122,500.00	910,000.00	8.552
South Central Bell Telephone Co.	8.250	11/01/15	1,000,000.00	1,000,000.00	780,000.00	8.250
Mountain States Telephone and Telegraph Co.	8.000	09/15/17	1,500,000.00	1,491,075.00	1,170,000.00	8.048
Pacific NW Bell	8.750	08/01/18	1,000,000.00	1,000,000.00	812,500.00	8.750
Rowan Co., Inc.	8.750	05/15/00	550,000.00	550,000.00	643,500.00	8.750
AMI	8.000	06/15/05	435,000.00	436,787.50	436,787.50	7.967
Digital Equipment Co.	8.875	06/01/00	500,000.00	578,325.00	639,375.00	8.440
Mesa Petroleum	8.500	05/25/00	490,000.00	553,281.25	573,300.00	7.527
Total other bonds, notes and debentures			\$28,475,000.00	\$28,767,298.75	\$24,369,212.50	

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS:			
Baker International Corp.	11,400	\$ 102,833.05	\$ 356,250.00
Boise Cascade Corp.	18,100	434,159.71	653,862.50
Burroughs Corp.	10,400	764,483.50	668,200.00
Capital Cities Communica- tion	10,500	490,806.50	535,500.00
Columbia Pictures In- dustries	17,200	571,498.70	503,100.00
Computervision Corp.	8,600	488,030.40	468,700.00
Cooper Industries, Inc.	14,400	434,325.20	576,000.00
Diamond Shamrock Corp.	27,200	815,072.00	799,000.00
Disney (Walt) Productions	14,300	646,677.80	686,400.00
Dresser Industries, Inc.	9,000	463,232.14	559,125.00
Eastman Kodak Co.	11,700	574,538.93	655,200.00
Federal Natl. Mortgage Assoc.	40,500	564,170.00	658,125.00
Farmers Group, Inc.	17,200	405,375.00	479,450.00
Fluor Corp.	11,600	627,130.90	810,550.00
General Dynamics Corp.	7,200	351,953.00	476,100.00
General Motors Corp.	15,000	810,928.50	697,500.00
Gulf Oil Corp.	15,100	683,220.00	609,662.50
Halliburton Co.	7,500	764,137.60	821,250.00
Hewlett-Packard Co.	11,000	631,752.60	686,125.00
Honeywell, Inc.	5,400	397,326.00	423,225.00
Houston Natural Gas Corp.	11,800	447,143.30	502,975.00
IBM Corp.	19,200	1,134,522.10	1,128,000.00
Johnson & Johnson	10,900	833,463.80	855,650.00
Litton Industries	10,400	489,974.30	508,300.00
MGIC Investment Corp.	19,000	400,330.00	498,750.00
McDermott (J. Ray) and Co., Inc.	19,700	497,485.40	558,987.50
McDonalds Corp.	13,200	595,452.00	636,900.00
Mesa Petroleum	20,300	646,588.60	776,475.00
M.A. Communications Inc.	11,400	336,988.80	334,875.00
Mesa Royalty Trust	16,700	539,494.10	592,850.00
Milton Bradley Co.	21,700	695,261.90	653,712.50
J.P. Morgan & Co., Inc.	11,800	542,741.00	572,300.00
National Semi-Conductor	22,000	482,724.00	522,500.00
Petrolane, Inc.	10,000	210,500.00	351,250.00

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT

JUNE 30, 1980

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS (CONTINUED):			
Phillip Morris, Inc.	16,900	\$ 593,359.00	\$ 680,225.00
Pittston Co.	24,400	574,864.00	585,600.00
Raytheon Co.	7,800	554,573.50	579,150.00
Sanders Associates, Inc.	12,000	446,662.00	448,500.00
Schlumberger, Ltd.	4,700	191,118.37	542,850.00
Seaboard Coastline In-			
dustries	19,500	704,145.00	736,125.00
Sedco, Inc.	2,800	241,360.00	240,100.00
Smith Kline Corp.	10,200	518,512.80	595,425.00
Standard Oil Co. of			
California	5,500	213,565.00	420,750.00
Superior Oil Co.	4,050	549,652.50	649,012.50
Texas Instruments, Inc.	7,200	690,322.70	662,400.00
Texas Gulf, Inc.	7,800	319,928.25	294,450.00
Texas Oil & Gas	5,300	244,436.00	251,750.00
Union Pacific Corp.	15,000	638,159.62	641,250.00
AMP Inc.	5,000	183,875.00	189,375.00
Air Products & Chem., Inc.	8,000	314,840.00	310,000.00
Amer. Hosp. Supply Corp.	6,000	202,397.50	207,750.00
Armco, Inc.	7,000	195,825.00	187,250.00
Best Products	4,000	95,480.00	91,000.00
Burroughs Corp.	3,000	192,236.48	192,750.00
Caterpillar Tractor Co.	4,000	205,820.00	211,000.00
Chesebrough-Ponds, Inc.	7,000	158,270.00	194,250.00
Chubb Corp.	5,000	192,812.50	200,000.00
Colonial Penn. Group Inc.	7,000	137,245.00	129,500.00
Crane Co.	6,000	227,403.14	183,000.00
Crown Zellerbach Corp.	5,000	188,000.00	231,250.00
Dana Corp.	3,000	76,545.00	68,625.00
Deere & Co.	5,000	160,700.00	163,750.00
John Fluke Mfg. Co., Inc.	5,040	120,417.15	113,400.00
General Electric Co.	4,000	195,900.00	206,000.00
Georgia-Pacific Corp.	3,000	77,655.00	82,500.00
Halliburton Co.	3,000	280,457.00	328,500.00
Ingersoll Rand	3,000	181,290.00	172,500.00
IBM Corp.	5,500	347,487.50	323,125.00
Johnson & Johnson	2,000	149,440.00	157,000.00
Kraft Inc.	3,000	143,316.00	138,375.00
MCA Inc.	2,000	110,025.00	93,500.00
Marathon Oil Co.	2,000	99,360.00	114,500.00

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS (CONTINUED):			
Martin-Marietta Corp.	4,000	\$ 170,209.24	\$ 184,000.00
Merck & Co. Inc.	3,000	215,737.50	212,250.00
Missouri Pacific Corp.	3,000	180,510.00	178,500.00
Motorola Inc.	3,000	141,499.50	144,375.00
Pay Less Drug Stores			
Northwest	8,000	154,421.54	154,000.00
Pfizer, Inc.	5,000	195,750.00	206,250.00
Philip Morris, Inc.	3,000	99,480.00	120,750.00
Phillips Petroleum Co.	6,000	307,290.00	273,000.00
Republic of Texas	5,000	112,175.00	138,750.00
Schlumberger Ltd.	2,000	193,325.00	231,000.00
Seafirst Corp.	5,000	120,707.00	127,500.00
Sperry Corp.	6,000	318,142.50	285,000.00
Stauffer Chemical Co.	8,000	155,941.50	141,000.00
Superior Oil	2,000	269,233.30	320,500.00
Texas Instruments Inc.	3,000	291,537.50	276,000.00
Times-Mirror Co.	5,000	188,870.00	162,500.00
Union Pacific Corp.	4,000	140,795.00	171,000.00
Westinghouse Electric Corp.	7,000	150,310.00	159,250.00
		-----	-----
Total common stocks		\$32,997,711.42	\$35,718,962.50
		=====	=====

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS:			
<u>FHA Mortgages Serviced By -</u>			
Alaska Mutual Savings Bank	6.00	\$ 221,809.56	6.39
Alaska Mutual Savings Bank	6.75	51,307.78	7.07
Alaska Mutual Savings Bank	7.50	257,472.39	7.84
Alaska Mutual Savings Bank	8.00	86,202.82	7.92
Alaska Mutual Savings Bank	8.50	433,328.57	8.00
Alaska National Bank	5.75	52,351.12	5.43
Alaska State Bank	5.25	159,627.84	5.19
Alaska State Bank	6.00	223,838.29	5.94
Alaska State Bank	7.00	175,900.51	7.47
Alaska State Bank	7.50	26,147.81	7.30
Alaska State Bank	8.50	150,357.11	8.76
Alaska State Bank	8.50	93,008.48	7.30
First National Bank of Anchorage	5.25	50,536.69	4.88
First National Bank of Anchorage	5.50	15,104.57	5.18
First National Bank of Anchorage	5.75	121,363.28	5.01
First National Bank of Anchorage	7.50	840,310.73	8.03
First National Bank of Anchorage	8.50	664,902.35	8.53
First National Bank of Anchorage	8.50	211,112.34	9.05
First National Bank of Ketchikan	5.25	25,093.29	5.12
National Bank of Alaska	5.25	16,130.61	5.30
National Bank of Alaska	6.00	55,955.72	6.12
National Bank of Alaska	7.00	1,583,026.60	7.30
National Bank of Alaska	7.50	36,979.87	7.19
National Bank of Alaska	8.00	45,398.23	7.15
Peoples Bank and Trust	7.50	26,767.28	7.50
Rainier Mortgage Co.	5.25	62,775.20	5.21
Rainier Mortgage Co.	6.00	116,619.93	5.94
Rainier Mortgage Co.	7.50	188,152.87	7.55
Rainier Mortgage Co.	8.50	297,766.02	8.64
		-----	
Total FHA mortgages		\$6,289,347.86	
		-----	

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
<u>SBA Loans Serviced By -</u>			
Alaska National Bank	8.00	\$ 24,010.28	7.50
B.M. Behrends Bank	10.00	192,162.82	9.50
National Bank of Alaska	8.00	1,074,000.53	7.50
National Bank of Alaska	8.50	9,492.49	8.00
National Bank of Alaska	8.75	203,621.53	8.25
National Bank of Alaska	9.00	9,751.74	8.50
National Bank of Alaska	9.25	1,146,213.10	8.75
National Bank of Alaska	9.50	16,553.62	9.00
National Bank of Alaska	9.75	7,871.97	9.25
National Bank of Alaska	10.50	142,213.72	10.00
National Bank of Alaska	11.50	31,146.45	11.00
		-----	
Total SBA loans		\$2,857,038.25	
		-----	

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
Conventional/Residential			
Mortgages Serviced By -			
Alaska Bank of Commerce	9.50	\$ 1,299,563.24	9.19
Alaska Bank of Commerce	9.625	1,185,778.42	9.31
Alaska Bank of Commerce	9.75	1,436,671.09	9.44
Alaska Bank of Commerce	9.75	246,077.08	9.56
Alaska Bank of Commerce	10.00	721,279.98	9.81
Alaska Bank of Commerce	10.00	1,415,444.84	9.69
Alaska Bank of Commerce	10.125	126,099.61	9.94
Alaska Bank of Commerce	10.25	594,604.36	10.06
Alaska Bank of Commerce	10.25	229,146.63	9.94
Alaska Bank of Commerce	10.50	265,957.64	10.19
Alaska Bank of Commerce	10.50	1,249,340.31	10.31
Alaska Bank of Commerce	10.75	97,105.85	10.44
Alaska Bank of Commerce	10.875	64,893.73	10.56
Alaska Bank of Commerce	11.00	1,009,239.99	10.81
Alaska Bank of Commerce	11.00	937,188.82	10.69
Alaska Bank of Commerce	11.25	202,704.05	11.06
Alaska Bank of Commerce	11.25	230,234.80	10.63
Alaska Bank of Commerce	11.375	144,325.49	11.12
Alaska Bank of Commerce	11.375	280,321.59	11.06
Alaska Bank of Commerce	11.50	236,945.63	11.31
Alaska Bank of Commerce	11.50	235,102.82	11.19
Alaska Bank of Commerce	11.75	114,457.02	11.56
Alaska Bank of Commerce	11.875	93,475.97	11.56
Alaska Bank of Commerce	12.00	155,769.23	11.81
Alaska Bank of Commerce	12.00	486,213.51	11.69
Alaska Bank of Commerce	12.50	116,028.94	12.19
Alaska Bank of Commerce	12.50	264,177.87	12.31
Alaska Bank of Commerce	12.75	524,792.23	12.44
Alaska Bank of Commerce	12.75	296,214.62	12.56
Alaska Bank of Commerce	12.75	800,000.00	12.69
Alaska Bank of Commerce	9.50	285,645.01	9.19
Alaska Bank of Commerce	9.625	39,399.86	9.31
Alaska Bank of Commerce	10.00	197,534.14	9.69
Alaska Bank of Commerce	10.50	208,904.09	10.56
Alaska Bank of Commerce	10.50	1,172,406.99	10.44
Alaska Bank of Commerce	10.50	1,507,370.22	10.31
Alaska Bank of Commerce	10.50	206,286.03	10.19



STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued) -			
Alaska Bank of Commerce	10.625	\$ 245,606.73	10.56
Alaska Bank of Commerce	10.75	263,453.64	10.81
Alaska Bank of Commerce	10.75	912,515.01	10.56
Alaska Bank of Commerce	11.00	34,188.09	10.69
Alaska Bank of Commerce	11.00	1,301,500.93	10.81
Alaska Bank of Commerce	11.50	84,319.49	11.31
Alaska Bank of Commerce	12.00	38,258.75	11.81
Alaska Bank of Commerce	12.00	72,010.15	11.69
Alaska Bank of Commerce	12.50	179,266.17	12.31
Alaska Bank of Commerce	13.00	235,706.11	12.81
Alaska Bank of Commerce	10.625	932,535.54	10.56
Alaska Bank of Commerce	11.00	230,529.82	10.81
Alaska Bank of Commerce	10.50	1,381,309.66	10.44
Alaska Federal Savings and Loan	10.50	997,722.14	10.44
Alaska First Mortgage Co.	10.00	258,348.09	9.81
Alaska First Mortgage Co.	10.00	293,167.15	9.69
Alaska First Mortgage Co.	10.50	392,579.92	10.19
Alaska First Mortgage Co.	11.00	276,789.77	10.69
Alaska First Mortgage Co.	11.375	362,638.74	11.06
Alaska First Mortgage Co.	11.375	271,880.77	11.19
Alaska First Mortgage Co.	11.50	517,503.77	11.19
Alaska First Mortgage Co.	11.50	242,558.31	11.31
Alaska First Mortgage Co.	11.875	401,465.59	11.69
Alaska First Mortgage Co.	11.875	692,836.73	11.56
Alaska First Mortgage Co.	12.50	145,942.57	12.31
Alaska First Mortgage Co.	12.75	157,461.37	12.56
Alaska First Mortgage Co.	10.50	114,444.09	10.31
Alaska Mutual Savings Bank	9.25	115,745.37	8.94
Alaska Mutual Savings Bank	9.50	346,276.59	9.19
Alaska Mutual Savings Bank	9.625	1,268,004.39	9.31
Alaska Mutual Savings Bank	10.75	54,292.85	10.44
Alaska Mutual Savings Bank	11.00	91,651.60	10.69
Alaska Mutual Savings Bank	11.375	909,324.03	11.06
Alaska Mutual Savings Bank	11.375	626,910.52	11.19

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued) -			
Alaska Mutual Savings Bank	11.50	\$ 731,215.45	11.19
Alaska Mutual Savings Bank	11.50	644,943.73	11.31
Alaska Mutual Savings Bank	11.875	148,662.06	11.56
Alaska Mutual Savings Bank	11.875	108,670.08	11.69
Alaska Mutual Savings Bank	12.00	197,750.00	11.69
Alaska Mutual Savings Bank	12.50	189,648.86	12.19
Alaska Mutual Savings Bank	12.75	97,454.61	12.44
Alaska Mutual Savings Bank	12.75	314,705.18	12.69
Alaska Mutual Savings Bank	9.50	58,403.39	9.19
Alaska Mutual Savings Bank	9.625	1,103,126.08	9.31
Alaska Mutual Savings Bank	9.75	27,603.28	9.44
Alaska Mutual Savings Bank	10.00	78,077.09	9.69
Alaska Mutual Savings Bank	10.25	112,185.99	10.06
Alaska Mutual Savings Bank	10.375	760,247.92	10.31
Alaska Mutual Savings Bank	10.50	291,279.73	10.31
Alaska Mutual Savings Bank	10.50	44,526.80	10.19
Alaska Mutual Savings Bank	10.75	65,225.81	10.44
Alaska Mutual Savings Bank	11.00	345,496.37	10.56
Alaska Mutual Savings Bank	11.00	527,476.34	10.81
Alaska Mutual Savings Bank	12.00	318,640.36	11.81
Alaska Mutual Savings Bank	12.50	392,159.07	12.44
Alaska Mutual Savings Bank	12.75	202,827.24	12.56
Alaska Mutual Savings Bank	15.00	20,969.51	14.75
Alaska Mutual Savings Bank	10.50	653,784.40	10.51
Alaska Mutual Savings Bank	11.50	555,328.49	11.06
Alaska Mutual Savings Bank	11.75	818,148.93	11.56
Alaska Mutual Savings Bank	10.50	486,369.45	10.31
Alaska Mutual Savings Bank	10.625	983,634.31	10.56
Alaska National Bank	10.50	245,560.79	10.31
Alaska National Bank	12.00	127,641.50	11.81
Alaska National Bank	10.50	241,302.22	10.31
Alaska National Bank	11.00	412,500.00	10.81
Alaska National Bank	10.50	476,657.44	10.31
Alaska National Bank	12.00	1,555,260.92	11.81
Alaska National Bank	10.50	750,000.00	10.44

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
<u>(Continued) -</u>			
Alaska State Bank	11.00	\$ 206,435.51	10.69
Alaska U.S.A. Federal Credit Union	10.125	60,978.52	9.82
Alaska U.S.A. Federal Credit Union	10.25	79,296.37	9.94
Alaska U.S.A. Federal Credit Union	10.50	184,258.64	10.19
Alaska U.S.A. Federal Credit Union	10.50	111,517.71	10.31
Alaska U.S.A. Federal Credit Union	10.625	260,163.82	10.31
Alaska U.S.A. Federal Credit Union	10.75	163,836.79	10.44
Alaska U.S.A. Federal Credit Union	11.00	597,332.30	10.69
Alaska U.S.A. Federal Credit Union	11.00	312,562.15	10.81
AMFAC Mortgage Co.	10.625	389,670.15	10.56
Arctic First Federal Savings and Loan	10.5	89,509.26	9.44
Arctic First Federal Savings and Loan	10.75	55,082.37	10.44
Arctic First Federal Savings and Loan	10.5	951,382.50	10.31
B.M. Behrends Bank	9.50	183,504.72	9.19
B.M. Behrends Bank	9.50	374,004.30	9.31
B.M. Behrends Bank	10.00	111,886.61	9.69
B.M. Behrends Bank	10.75	43,868.58	10.44
B.M. Behrends Bank	11.25	142,059.14	11.12
B.M. Behrends Bank	11.50	102,384.14	11.31
B.M. Behrends Bank	12.00	80,699.84	11.69
B.M. Behrends Bank	12.75	498,305.71	12.69
B.M. Behrends Bank	10.00	140,900.08	9.81
B.M. Behrends Bank	10.50	112,829.21	10.31
B.M. Behrends Bank	10.50	481,871.98	10.44
B.M. Behrends Bank	11.00	385,217.81	10.81
B.M. Behrends Bank	12.00	170,713.53	11.81

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
<u>(Continued) -</u>			
First National Bank of			
Anchorage	10.75	\$ 1,019,423.92	10.65
Home Federal Savings and			
Loan	10.25	530,893.53	10.19
Mt. McKinley Mutual Savings			
Bank	9.25	38,178.15	8.94
Mt. McKinley Mutual Savings			
Bank	9.75	418,007.48	9.44
Mt. McKinley Mutual Savings			
Bank	10.00	116,434.34	9.69
Mt. McKinley Mutual Savings			
Bank	10.50	42,012.40	10.19
Mt. McKinley Mutual Savings			
Bank	10.75	35,242.22	10.44
Mt. McKinley Mutual Savings			
Bank	11.00	111,185.08	10.81
Mt. McKinley Mutual Savings			
Bank	11.00	260,190.57	10.69
Mt. McKinley Mutual Savings			
Bank	11.375	38,609.29	11.06
Mt. McKinley Mutual Savings			
Bank	11.50	531,815.81	11.19
Mt. McKinley Mutual Savings			
Bank	11.75	310,493.45	11.44
Mt. McKinley Mutual Savings			
Bank	12.00	49,836.22	11.69
Mt. McKinley Mutual Savings			
Bank	9.875	46,810.45	9.56
Mt. McKinley Mutual Savings			
Bank	10.00	118,168.62	9.81
Mt. McKinley Mutual Savings			
Bank	10.25	172,902.83	10.06
Mt. McKinley Mutual Savings			
Bank	10.50	312,284.72	10.19

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued) -			
Mt. McKinley Mutual Savings Bank	10.50	\$ 442,106.20	10.44
Mt. McKinley Mutual Savings Bank	10.625	510,607.21	10.56
Mt. McKinley Mutual Savings Bank	11.00	58,976.22	10.69
Mt. McKinley Mutual Savings Bank	11.00	179,269.43	10.81
Mt. McKinley Mutual Savings Bank	11.375	31,425.42	11.06
Mt. McKinley Mutual Savings Bank	11.50	168,381.65	11.19
Mt. McKinley Mutual Savings Bank	12.00	70,768.97	11.69
Mt. McKinley Mutual Savings Bank	12.50	190,774.55	12.31
Mt. McKinley Mutual Savings Bank	12.50	78,348.02	12.19
National Bank of Alaska	9.25	176,577.53	8.94
National Bank of Alaska	9.375	71,365.41	9.31
National Bank of Alaska	9.375	1,950,298.77	9.06
National Bank of Alaska	9.50	2,429,918.67	9.19
National Bank of Alaska	9.625	1,471,878.30	9.31
National Bank of Alaska	9.75	116,810.45	9.56
National Bank of Alaska	9.75	1,396,938.08	9.44
National Bank of Alaska	9.875	3,158,839.45	9.56
National Bank of Alaska	10.00	1,196,626.91	9.81
National Bank of Alaska	10.00	690,871.81	9.69
National Bank of Alaska	10.25	68,742.49	9.94
National Bank of Alaska	10.50	335,731.01	10.19
National Bank of Alaska	10.50	206,561.65	10.31
National Bank of Alaska	10.75	219,476.25	10.56
National Bank of Alaska	10.75	283,931.28	10.44
National Bank of Alaska	10.875	93,824.20	10.56
National Bank of Alaska	11.00	352,182.35	10.69
National Bank of Alaska	11.00	1,049,215.57	10.81

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued) -			
National Bank of Alaska	11.375	\$ 1,153,988.36	11.06
National Bank of Alaska	11.375	455,763.85	11.19
National Bank of Alaska	11.50	263,644.31	11.31
National Bank of Alaska	11.50	1,401,121.67	11.19
National Bank of Alaska	11.875	646,158.03	11.56
National Bank of Alaska	11.875	624,893.83	11.69
National Bank of Alaska	12.00	118,140.42	11.81
National Bank of Alaska	12.00	236,370.18	11.69
National Bank of Alaska	12.50	231,411.53	12.19
National Bank of Alaska	12.75	519,747.39	12.56
National Bank of Alaska	12.75	60,000.00	12.44
National Bank of Alaska	12.875	581,250.00	12.81
National Bank of Alaska	11.00	197,793.58	10.81
National Bank of Alaska	9.75	231,662.35	9.56
National Bank of Alaska	10.25	1,312,683.30	10.06
National Bank of Alaska	10.375	490,067.44	10.19
National Bank of Alaska	10.50	1,019,660.91	10.31
National Bank of Alaska	10.625	262,419.29	10.44
National Bank of Alaska	10.75	854,685.31	10.56
National Bank of Alaska	10.75	884,636.54	10.69
National Bank of Alaska	11.00	657,849.13	10.94
National Bank of Alaska	11.00	804,961.05	10.81
National Bank of Alaska	11.50	296,527.42	11.44
National Bank of Alaska	10.50	115,998.20	10.31
National Bank of Alaska	10.50	719,889.26	10.44
National Bank of Alaska	12.00	534,623.78	11.94
National Bank of Alaska	10.50	578,613.33	10.44
National Bank of Alaska	10.50	219,072.72	10.31
National Bank of Alaska	12.00	99,254.29	11.81
National Bank of Alaska	13.00	200,000.00	12.81
Peoples Bank and Trust	9.375	51,290.62	9.06
Peoples Bank and Trust	9.50	786,464.51	9.19
Peoples Bank and Trust	9.625	895,077.25	9.31
Peoples Bank and Trust	9.75	254,574.40	9.56
Peoples Bank and Trust	9.75	373,245.12	9.44
Peoples Bank and Trust	9.875	121,750.15	9.56
Peoples Bank and Trust	10.00	452,232.26	9.81

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued) -			
Peoples Bank and Trust	10.00	\$ 220,501.28	9.69
Peoples Bank and Trust	10.25	104,100.05	10.06
Peoples Bank and Trust	10.25	136,511.12	9.94
Peoples Bank and Trust	10.50	189,891.24	10.19
Peoples Bank and Trust	10.875	143,093.23	10.69
Peoples Bank and Trust	10.875	85,272.57	10.56
Peoples Bank and Trust	11.00	899,631.40	10.81
Peoples Bank and Trust	11.00	111,242.47	10.69
Peoples Bank and Trust	11.125	92,653.09	10.81
Peoples Bank and Trust	11.50	243,582.11	11.31
Peoples Bank and Trust	11.50	135,901.39	11.19
Peoples Bank and Trust	11.875	226,120.42	11.69
Peoples Bank and Trust	11.875	451,752.78	11.565
Peoples Bank and Trust	12.00	59,400.00	11.69
Peoples Bank and Trust	12.50	147,676.61	12.31
Peoples Bank and Trust	12.75	94,305.99	12.44
Peoples Bank and Trust	12.75	354,387.91	12.56
Peoples Bank and Trust	9.75	66,889.58	9.44
Peoples Bank and Trust	10.25	76,784.85	9.94
Peoples Bank and Trust	10.50	324,942.48	10.31
Peoples Bank and Trust	10.75	130,269.09	10.56
Peoples Bank and Trust	12.50	261,300.52	12.31
Peoples Mortgage Co.	10.50	205,419.39	10.31
Peoples Mortgage Co.	10.25	640,062.48	10.19
United Bank of Alaska	9.375	427,023.84	9.06
United Bank of Alaska	9.50	124,955.48	9.31
United Bank of Alaska	9.50	2,165,758.31	9.19
United Bank of Alaska	9.60	214,282.82	9.25
United Bank of Alaska	9.625	2,131,874.49	9.31
United Bank of Alaska	9.75	48,879.72	9.44
United Bank of Alaska	9.875	737,568.08	9.56
United Bank of Alaska	10.00	1,137,660.78	9.81
United Bank of Alaska	10.00	566,721.20	9.69
United Bank of Alaska	10.25	50,864.01	9.84

STATE OF ALASKA  
TEACHERS' RETIREMENT SYSTEM

SCHEDULE OF INVESTMENTS HELD AT  
JUNE 30, 1980

	<u>Interest Rate</u>	<u>Cost</u>	<u>Net Yield</u>
REAL ESTATE MORTGAGES AND SBA			
LOANS (CONTINUED):			
Conventional/Residential			
Mortgages Serviced By			
(Continued) -			
United Bank of Alaska	10.25	\$ 128,725.16	10.06
United Bank of Alaska	10.375	117,032.24	10.06
United Bank of Alaska	10.375	311,677.66	10.19
United Bank of Alaska	10.50	102,344.04	10.31
United Bank of Alaska	10.50	57,554.87	10.19
United Bank of Alaska	10.50	485,435.19	10.44
United Bank of Alaska	10.75	47,411.96	10.44
United Bank of Alaska	11.00	290,537.33	10.69
United Bank of Alaska	11.00	651,266.33	10.81
United Bank of Alaska	11.375	136,662.93	11.19
United Bank of Alaska	11.50	153,414.54	11.19
United Bank of Alaska	11.50	115,806.87	11.31
United Bank of Alaska	12.00	179,567.50	11.69
United Bank of Alaska	12.50	97,354.18	12.19
United Bank of Alaska	9.50	69,047.48	9.19
United Bank of Alaska	10.125	73,619.77	9.81
United Bank of Alaska	10.50	367,048.23	10.31
United Bank of Alaska	10.50	167,123.83	10.19
United Bank of Alaska	10.75	848,483.25	10.56
United Bank of Alaska	11.00	669,673.37	10.81
United Bank of Alaska	11.00	87,810.82	10.69
United Bank of Alaska	11.00	421,897.92	10.94
United Bank of Alaska	11.50	48,270.88	11.19
United Bank of Alaska	12.00	93,480.36	11.69
United Bank of Alaska	12.00	1,320,544.56	11.81
United Bank of Alaska	12.00	336,185.33	11.94
United Bank of Alaska	11.00	156,285.58	10.81
Total conventional/ residential mortgages		113,905,202.96	
Total real estate mort- gages and small business administration loans in Alaska		\$123,051,589.07	



STATE OF ALASKA  
TEACHERS' RETIREMENT FUND  
Comparative Statement of Operations

	Fiscal Year Ended	
	June 30, 1980	June 30, 1979
Beginning Equities and Reserves	\$267,043,332	\$218,950,189
Additions:		
Employees' Contributions:		
Mandatory	15,315,086	13,698,408
Reinstatement	694,500	636,477
Arrearage	86,912	78,035
Retroactive	527,899	663,664
Supplemental	36,696	46,579
Retirement Option Payback	(10,499)	18,894
Total Employees' Contributions	16,650,594	15,142,057
Employers' Contributions	16,317,019	14,289,205
State Contributions - Matching	14,926,152	12,269,439
Net Investment Income 1)	31,783,301	22,311,725
Market Value Adjustment	(6,493,850)	517,662
Interest Earned on Employees' Indebtedness	490,855	520,409
Total Additions	73,674,071	65,050,497
Total Equities, Reserves and Additions	\$340,717,403	\$284,000,686
Deductions:		
Administrative Expenses:		
Personal Services	384,199	275,410
Travel	20,037	13,811
Contractual Services	126,770	140,084
Commodities	1,970	9,554
Equipment	33,925	1,792
Capital Outlay	18,900	
Inter-Agency Service	267,000	258,700
Total Administrative Expenses	852,801	699,351
Employees' Contributions and Interest Refunded	3,087,910	2,419,936
Medical Benefit Expenses	914,136	904,922
Retirement Benefits Paid	15,548,263	12,933,145
Total Deductions	20,403,110	16,957,354
Ending Equities and Reserves	\$320,314,293	\$267,043,332

STATE OF ALASKA

TEACHERS' RETIREMENT SYSTEM

FOOTNOTES TO COMPARATIVE STATEMENT OF OPERATIONS  
June 30, 1980

- 1) Schedule of Investment Income for Fiscal Year ended  
June 30, 1980, accrual basis.

Interest Income	\$27,518,961
Gain/(Loss) on Sale of Securities	<u>4,264,340</u>
Total Investment Income	<u>\$31,783,301</u>



**Benefit Services / Consulting Actuaries**

October 10, 1980

Mr. Paul Arnoldt, Director  
State of Alaska  
Department of Administration  
Division of Retirement & Benefits  
Pouch CR  
Juneau, Alaska 99811

Actuarial Status -  
Alaska Teachers' Retirement System

Dear Paul:

This is a brief statement to outline the actuarial status of the Alaska Teachers' Retirement System. The actuarial valuation which we perform each year has the following objectives:

- (1) To examine the status of funding of the System.
- (2) To develop a contribution rate which is adequate to support the benefits of the System.

The actuarial valuation of the Alaska Teachers' Retirement System as of June 30, 1980 is based upon the actuarial assumptions and methods which were adopted by the Retirement Board in March, 1978. The more significant results are as follows:

Contribution Rates

Contribution rates as a percent of earnings have increased due to many factors, including legislative changes, unrealized market value losses in assets, a large increase in post-retirement medical premiums, and demographic changes. The following table summarizes these rates:

	--- Valuation Date ---	
	<u>6-30-79</u>	<u>6-30-80</u>
(a) Normal Cost Rate	11.86%	11.95%
(b) Past Service Rate	3.72%	4.89%
(c) Total Contribution Rate	15.58%	16.84%

Mr. Paul Arnoldt  
Page Two  
October 10, 1980

Funding Progress

One of the best measures of a pension plan's funding progress is the growth of assets relative to the present value of accrued benefits. Liabilities increased more than anticipated during the year, while assets incurred large losses. Consequently, the accrued benefit funding ratio decreased.

	--- Valuation Date ---	
	<u>6-30-79</u>	<u>6-30-80</u>
(a) Valuation Assets	\$266,006,982	\$311,417,814
(b) Present Value of Accrued Benefits	370,196,776	465,722,763
(c) Accrued Benefit Funding Ratio	71.9%	66.9%

A more complete analysis appears in the actuarial valuation report. In summary, it is our opinion that the funding progress of the System is satisfactory and the contribution levels are sufficient to support the benefits of the System.

Sincerely,



Robert F. Richardson, MAAA  
Vice President

RFR:jn

## 1.4 ACTUARIAL METHOD AND ASSUMPTIONS

### Valuation of Liabilities

A. Actuarial Method - Attained Age Normal, also known as Aggregate Method with Supplemental Liability. The unfunded accrued benefit liability is amortized over 30 years.

B. Actuarial Assumptions -

- |                         |   |
|-------------------------|---|
| 1. Interest             | 6% per year, compounded annually, net of investment expenses.   |
| 2. Salary Scale         | 6% per year until age 39 and 5% per year for ages 40 and up.  |
| 3. Mortality            | 1971 Group Annuity Mortality Table.   |
| 4. Turnover             | Based upon the 1976-77 actual total turnover experience. (See Table 1).   |
| 5. Disability           | Incidence rates in accordance with Table 2. Post-disability mortality in accordance with rates published by the Pension Benefit Guaranty Corporation to reflect mortality of those receiving disability benefits under Social Security.                     |
| 6. Retirement Age       | The average of age 60 and the earliest age for which unreduced retirement benefits will be available.   |
| 7. Spouse's Age         | Wives are assumed to be four years younger than husbands.   |
| 8. Contribution Refunds | 85% of those terminating before age 50 with 8 to 12 years of service will leave their contributions and thereby retain their deferred vested benefit. All others who terminate after becoming vested are assumed to keep their contributions in the System. |
| 9. C.O.L.A.             | 49% of those receiving retirement benefits will be eligible for C.O.L.A.  |
| 10. Sick Leave          | 4.7 days of sick leave will be available for each year of service.  |
| 11. Expenses            | No loading for expenses.  |

Valuation of Assets

Based upon the three-year average ratio between market and book values of the System's assets.

Valuation of Medical Benefits

Medical benefits for retirees are provided by the payment of premiums from the trust fund. A pre-65 cost and lower post-65 cost (due to Medicare) were assumed such that the total rate for all retirees equals the present premium rate. These medical premiums are then funded with the same actuarial method as other retirement benefits.

TABLE 1  
TEACHERS' RETIREMENT SYSTEM  
STATE OF ALASKA  
EMPLOYEE TURNOVER RATES

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	.0600	.0600
21	.0582	.0607
22	.0563	.0614
23	.0537	.0623
24	.0511	.0669
25	.0485	.0715
26	.0456	.0761
27	.0432	.0809
28	.0448	.0888
29	.0464	.0967
30	.0480	.1046
31	.0496	.1125
32	.0510	.1204
33	.0562	.1200
34	.0614	.1195
35	.0666	.1190
36	.0718	.1195
37	.0769	.1181
38	.0791	.1109
39	.0813	.1037
40	.0835	.0965
41	.0857	.0893
42	.0880	.0823
43	.0882	.0800
44	.0884	.0777
45	.0886	.0754
46	.0888	.0731
47	.0889	.0714
48	.0890	.0707
49	.0880	.0700
50 and up	.0870	.0700

TABLE 2  
TEACHERS' RETIREMENT SYSTEM  
STATE OF ALASKA  
DISABILITY RATES  
ANNUAL RATES PER 1,000 EMPLOYEES

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
20	.70	45	1.62
21	.71	46	1.76
22	.72	47	1.91
23	.73	48	2.07
24	.74	49	2.23
25	.75	50	2.40
26	.76	51	2.60
27	.78	52	2.86
28	.80	53	3.18
29	.82	54	3.56
30	.84	55	4.00
31	.86	56	4.59
32	.88	57	5.34
33	.90	58	6.10
34	.93	59	7.20
35	.96	60	8.43
36	.99	61	9.75
37	1.03	62	11.30
38	1.07	63	13.05
39	1.11	64	14.90
40	1.15		
41	1.20		
42	1.27		
43	1.36		
44	1.48		

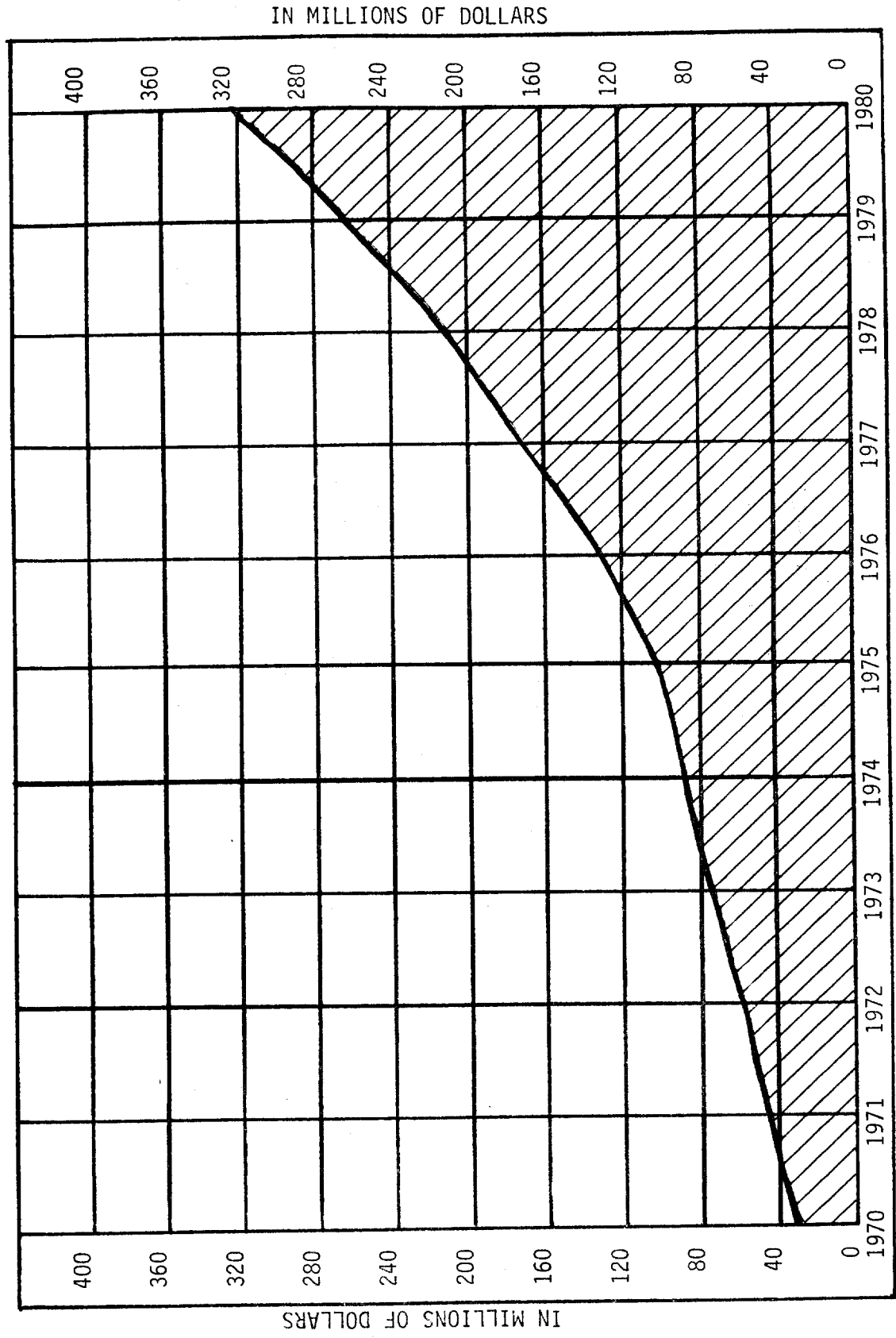


STATE OF ALASKA  
TEACHERS' RETIREMENT FUND  
Historical Data  
Fiscal Years 1970 through 1980  
(cents omitted)

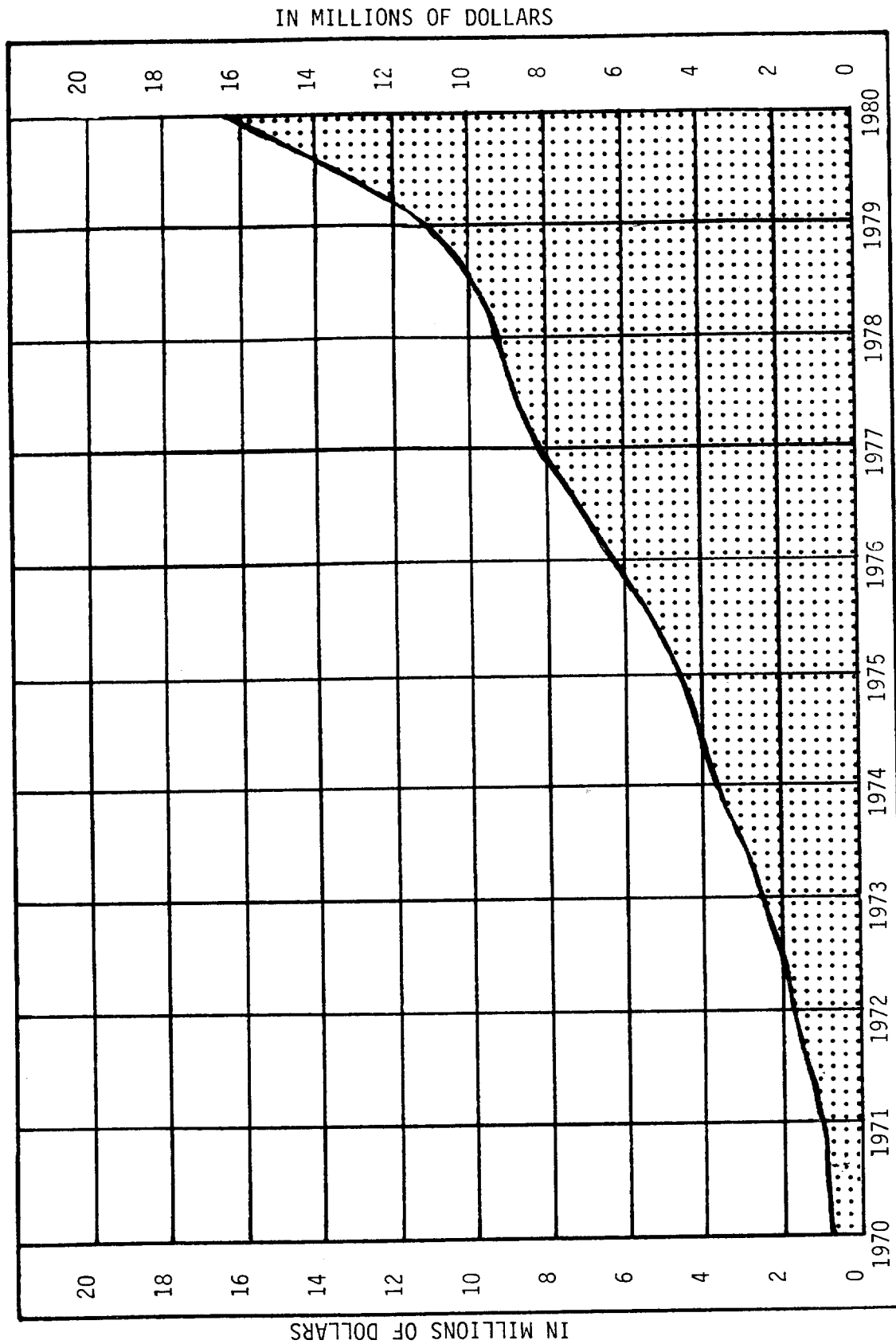
<u>Fiscal Year</u>	<u>Assets Fiscal Year End</u>	<u>Employers' Contributions During Fiscal Year</u>	<u>Employees' Contributions During Fiscal Year</u>	<u>Benefits Paid Including Medical Expenses &amp; Death Benefits</u>	<u>Employees' Contributions and Interest Refunded During Fiscal Year</u>	<u>Net Investment Income During Fiscal Year</u>
1970	\$ 32,867,233	\$ 3,854,210	\$ 2,622,059	\$ 907,777	\$ 644,974	\$ 1,839,574
1971	44,985,043	6,408,602	5,284,693	1,057,714	641,652	2,199,640
1972	58,400,298	7,470,707	5,713,570	1,817,534	790,808	2,931,286
1973	73,979,377	9,543,907	6,820,652	2,493,491	1,312,958	3,181,537
1974	89,794,395	8,770,748	8,628,798	3,642,667	1,419,832	4,287,131
1975	105,797,313	11,526,213	9,147,206	4,574,494	1,896,431	1,844,773
1976	137,623,382	19,348,436	11,590,177	6,390,012	1,926,611	9,240,962
1977	177,345,467	24,030,230	12,162,883	8,161,421	1,859,829	13,583,578
1978	215,370,551	19,792,849	15,510,483	11,025,589	2,319,376	16,051,252
* 1979	267,043,332	26,558,644	15,142,057	13,838,067	2,419,936	22,311,725
1980	320,314,293	31,243,171	16,650,594	16,462,399	3,087,910	31,783,301

\*Figures presented on an accrual basis effective FY 1979.

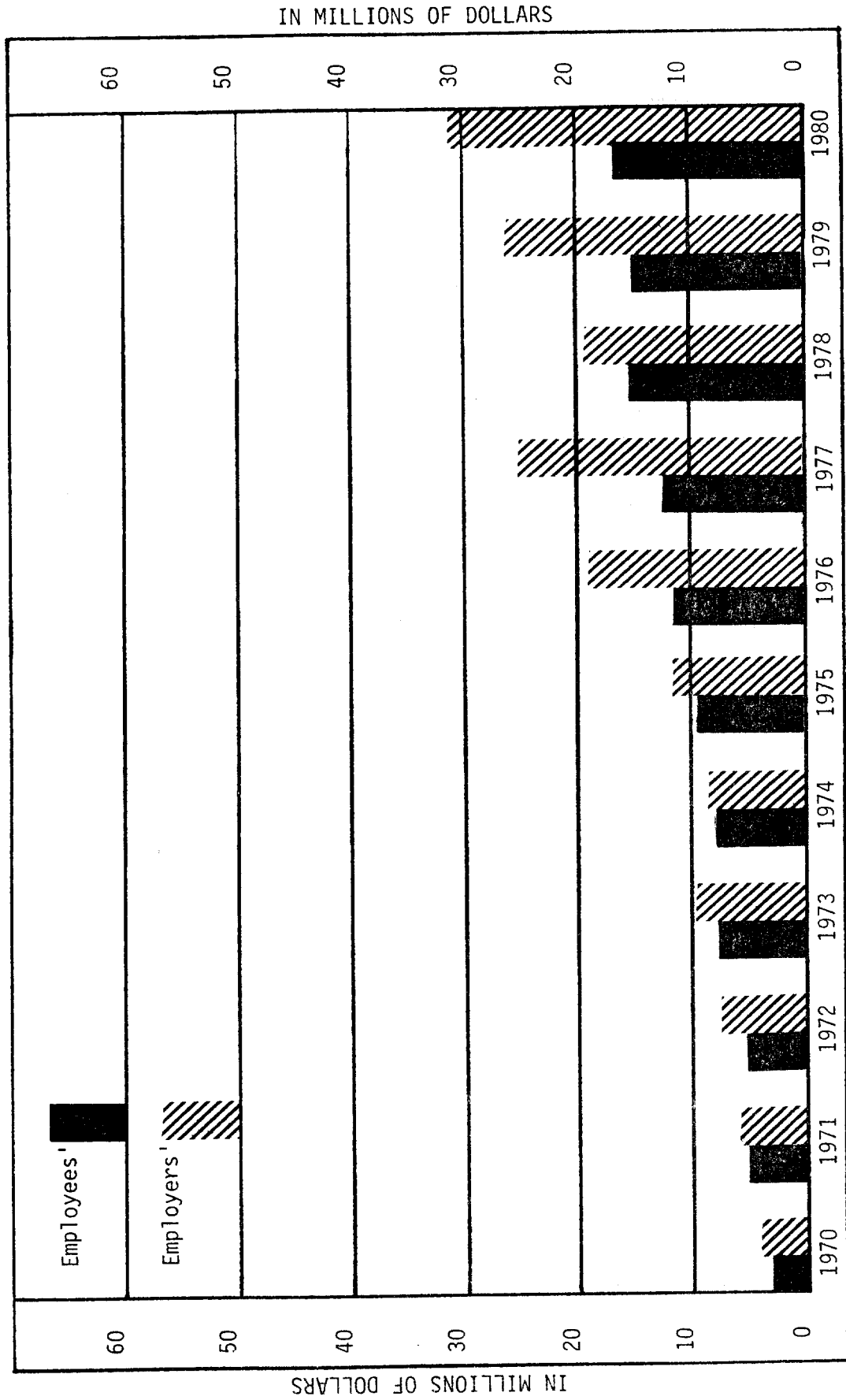
STATE OF ALASKA  
TEACHERS' RETIREMENT FUND  
Total Assets  
Fiscal Years 1970 through 1980



STATE OF ALASKA  
TEACHERS' RETIREMENT FUND  
Benefits Paid  
Fiscal Years 1970 through 1980

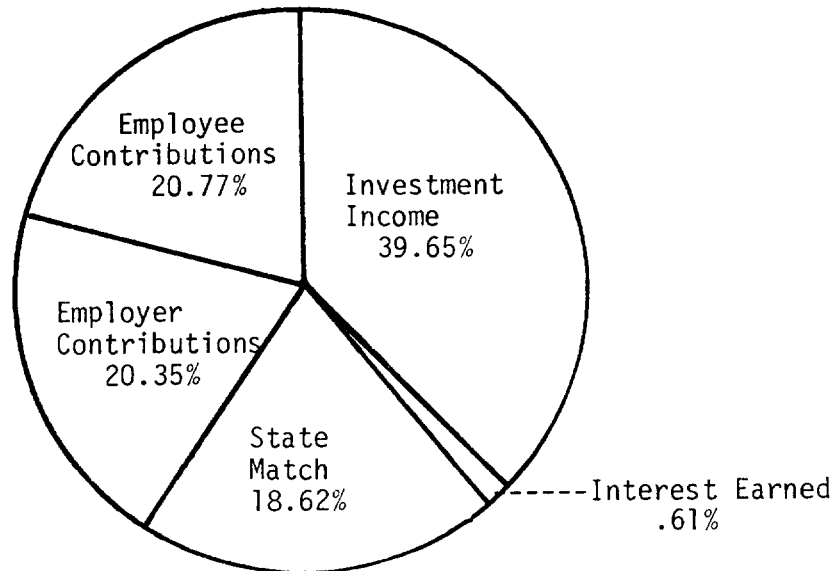


STATE OF ALASKA  
TEACHERS' RETIREMENT FUND  
Employees' and Employers' Contributions  
Fiscal Years 1970 through 1980

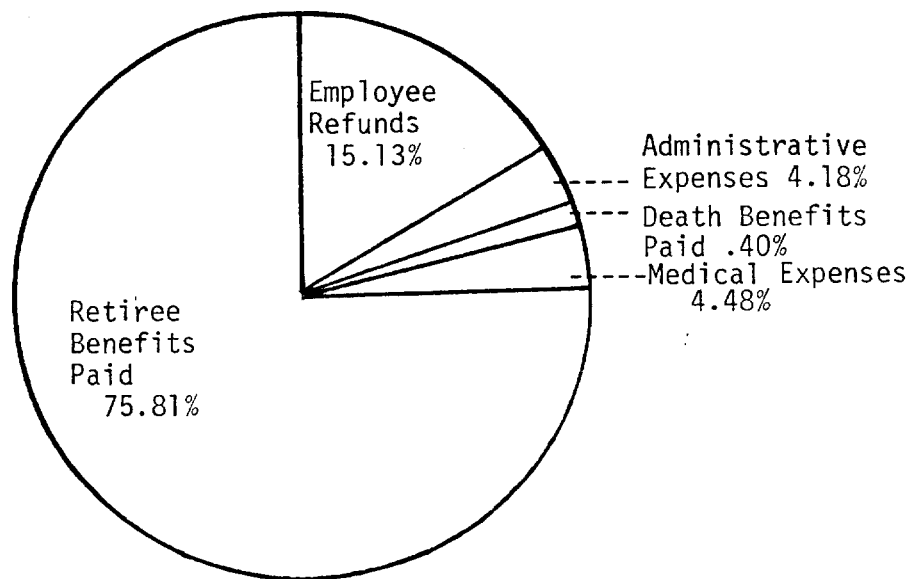


STATE OF ALASKA  
Teachers' Retirement System  
Year Ended June 30, 1980

INCOME & RECEIPTS  
\$80,167,921



DISBURSEMENTS  
\$20,403,110





STATE OF ALASKA  
TEACHERS' RETIREMENT FUND  
Employer Contribution Rates  
For Fiscal Year 1980

<u>Employer</u>	<u>Percentage</u>
Adak Region School District	7.45
Alaska Gateway Schools	----- Same for all Employers -----
Alaska, University of	
Alaska, University of, Geophysical Institute	
Aleutian Region School District	
Anchorage School District	
Annette Island School District	
Bering Straits School District	
Bristol Bay Borough School District	
Bristol Bay Regional Resource Center	
Chatham School District	
Chugach Region School District	
Copper River School District	
Cordova School District	
Craig School District	
Delta-Greely School District	
Department of Education, State of Alaska	
Dillingham School District	
Fairbanks North Star Borough School District	
Galena City Schools	
Haines School District	
Hoonah City Schools	
Hydaburg School District	
Iditarod Area School District	
Juneau Borough School District	
Kake City Schools	
Kenai Peninsula Borough School District	
Ketchikan Gateway Borough School District	
King Cove City Schools	
Klawock City Schools	
Kodiak Island Borough School District	
Kuspuk School District	
Lake and Peninsula School District	
Lower Kuskokwim School District	
Lower Yukon School District	
Matanuska-Susitna Borough School District	
National Education Association	
Nenana School District	
Nome City Schools	
North Slope Borough School District	
Northwest Arctic School District	
Pelican School District	

STATE OF ALASKA  
TEACHERS' RETIREMENT FUND  
Employer Contribution Rates  
For Fiscal Year 1980

Continued -

<u>Employer</u>	<u>Percentage</u>
Petersburg City Schools	7.45
Pribilof Region School District	---
Railbelt School District	---
Sand Point School District	---
Sitka Borough School District	---
Skagway City School District	---
Southeast Islands School District	---
Southeastern Regional Resource Center	---
Southcentral Regional Resource Center	---
Southwest Region School District	---
St. Mary's School District	---
Unalaska School District	---
Valdez City Schools	---
Western Regional Resource Center	---
Wrangell Public Schools	---
Yakutat School District	---
Yukon Flats School District	---
Yukon-Koyukuk School District	---